

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (“Authority”)

Investment in Mental Health Wellness Grant Program (“IMHWGP”) – 5th Round

Amendment to Resolution Number MH 2016-04 (Marin County)

May 25, 2017

PURPOSE OF THE REQUEST:

Marin County (the “County”) is requesting the Authority approve an amendment to Resolution Number MH 2016-04 (fifth funding round) to extend the grant period and resolution expiration date from December 31, 2017 to May 31, 2018.

BACKGROUND:

On May 26, 2016, the Authority approved a Final Allocation for a grant for the County in an amount not to exceed \$946,000.00 to expand its existing Crisis Stabilization Unit program (“CSU”) from 5 beds to 10 beds. Grant funds were approved for costs associated with construction and renovation, and the purchase of furnishings and equipment. The County’s proposed 5-bed CSU expansion will include four adult beds and one youth bed, as well as upgraded facility safety features and two new private interview rooms.

The County performed an in-depth programmatic and safety review involving facility nursing and administrative staff and developing a core list of priorities for the expanded facility. The County also entered into a professional services contract for design and engineering. The design team issued 75% complete construction drawings on March 1, 2017 in preparation for permit submittal to the County of Marin Building Department in early April 2017.

ISSUE:

After preparing construction documents for permit through the County of Marin Building Department, the project team learned that the Office of Statewide Health Planning and Development (“OSHPD”) had jurisdiction over the building in which the facility is located. The County’s existing CSU is located inside a building on the campus of Marin General Hospital, which is co-owned by the County and the Marin Hospital District and is operated by the County. The existing CSU is certified by the Department of Health Care Services (“DHCS”) and is not on the Marin General Hospital license. However, because there are shared utilities between the CSU and Marin General Hospital, OSHPD has jurisdiction over any CSU construction.

The County is seeking approval from the Authority to ensure its IMHWGP award funding is available prior to continuing to move forward with the new permitting process. The average timeline for OSHPD’s initial review of plans can take as much as 60 days and is

usually followed by drawing revisions and subsequent review periods. The County has engaged with OSHPD officials at multiple levels in an effort to expedite the lengthy OSHPD permitting process and OSHPD is willing to streamline the process. The County submitted documentation to OSHPD on April 3, 2017.

Had the project remained under the County of Marin Building Department jurisdiction, the County believes that the project would have been completed within the original grant period. Due to the lengthy OSHPD permitting process, the County expects a delay in the ability to go out to bid to secure a contractor for the project and, therefore, a delay in starting construction. The County expects that OSHPD will issue the permit by July 2017, resulting in construction completion by April 3, 2018 and certification prior to April 30, 2018.

The County believes that a May 31, 2018 expiration date would suffice to complete the project and request disbursement of grant funds.

The requested changes to Resolution Number MH 2016-04 are attached in track changes.

RECOMMENDATION:

Staff recommends the Authority approve an Amendment to Resolution Number MH 2016-04 to extend the grant period and resolution expiration date to May 31, 2018, subject to the following additional conditions:

1. The County must report to CHFFA once it receives permitting approval from OSHPD.
2. The County must provide evidence acceptable to Authority staff demonstrating (a) start of construction by October 30, 2017, and (b) the CSU shall be operational by April 30, 2018.
3. Funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff that the Project is on track to be operational on or before April 30, 2018.
4. The County must submit all grant disbursement requests, including required supporting documentation, to the Authority no later than April 30, 2018.

All other conditions in the Resolution shall remain the same and in full effect.

AMENDMENT TO RESOLUTION NO. MH 2016-04

**A RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
TO THE COUNTY OF MARIN**

WHEREAS, The California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Investment in Mental Health Wellness Act of 2013 (Welfare and Institutions Code Section 5848.5, the “Act”) and implementing regulations (California Code of Regulations, Title 4, Division 10, Chapter 5 (commencing with Section 7113)) to award grants for capital funding and personnel funding to finance eligible projects; and

WHEREAS, Authority staff reviewed the application submitted by County of Marin (“Grantee”) against the eligibility requirements of the Act and implementing regulations, and pursuant to the Act and implementing regulations, recommends approval of a grant in an amount not to exceed \$946,000.00 for the eligible project (the “Project”), which consists of no more than \$946,000.00 for crisis stabilization capital costs;

NOW, THEREFORE, BE IT RESOLVED by the California Health Facilities Financing Authority as follows:

Section 1. The Authority hereby approves a grant in a total amount not to exceed \$946,000.00 to complete the Project as described in the Grantee’s application and as more particularly described in Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference) within a project period that ends on ~~December 31, 2017~~ May 31, 2018. Within this project period, Grantee shall provide an update to the Authority once the Grantee receives permitting approval from OSHPD, and evidence acceptable to Authority staff demonstrating (a) start of construction on the Project by October 30, 2017 and (b) the Project shall be operational on or before April 30, 2018. Funds shall not be disbursed if Grantee is unable to provide evidence acceptable to Authority staff that the Project is on track to be operational on or before April 30, 2018. Grantee must submit all disbursement requests, including required supporting documentation, to the Authority no later than April 30, 2018.

Section 2. The Executive Director is hereby authorized, for and on behalf of the Authority, to approve any minor, non-material changes in the Project described in the application submitted to the Authority ~~and extend the project period completion date identified in Section 1 as authorized under the Act and implementing regulations~~. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding, even if more grants are approved than there is available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be completed for any reason whatsoever.

Section 3. The Executive Director is hereby authorized and directed, for and on behalf of the Authority, to disburse funds not to exceed those amounts approved by the Authority for the Grantee. The Executive Director is further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Grantee any and all documents necessary to complete the disbursement of funds that are consistent with the Act and implementing regulations.

Section 4. The Executive Director of the Authority is hereby authorized and directed to do any and all things and to execute and deliver any and all documents which the Executive Director deems necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. This Resolution expires ~~December 31, 2017~~ May 31, 2018.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Marin as follows:

Crisis Stabilization Program

The County of Marin (the “County”) will expand the existing Crisis Stabilization (“CS”) Program from 5 beds to 10 beds. The additional 5-bed expansion will include four adult beds and one youth bed as well as upgraded facility safety features and two new private interview rooms. The CS program is in an unlocked facility that provides voluntary and involuntary psychiatric inpatient services and outpatient behavioral health services in a therapeutic environment up to 23 hours. The CS program is open 24 hours a day seven days a week and serves approximately 1,252 clients per year including children, youth and adults. The additional beds will increase capacity by 100% and reduce safety concerns such as seclusion and access to staff space. Grant funds will be used for construction and renovation and the purchase of furnishings and equipment.

Summary of Amounts:

Program	Approved Grant Amount
Crisis Stabilization	\$ 946,000.00