

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (“Authority”)**

**Investment in Mental Health Wellness Grant Program (“IMHWGP”) – 4<sup>th</sup> Round**

**Amendment to Resolution Number MH 2015-07 (Kern County)**

**May 25, 2017**

**PURPOSE OF THE REQUEST:**

Kern County (the “County”) is requesting the Authority approve an amendment to Resolution Number MH 2015-07 (fourth funding round) to extend the resolution and grant period expiration date from June 30, 2017 to May 31, 2018.

**BACKGROUND:**

On December 3, 2015, the Authority approved a Final Allocation for a grant for the County in an amount not to exceed \$1,701,924.00 to construct a new 12-bed Crisis Stabilization Unit program (“CSU”) to serve eight adults and four minors. Grant funds were approved for costs associated with construction or renovation, furnishings or equipment, information technology, and three months of program startup costs.

The CSU will be developed in partnership with Ridgecrest Regional Hospital (“RRH”). The County is leasing the property from RRH. The County completed its lease agreement with RRH and its service provider contract with Telecare Corporation which will provide the program services.

**ISSUE:**

On December 20, 2016, the County informed the Authority that RRH had decided to change the CSU site location to a new site location (1141 N. Chelsea Street) that is closer to RRH (approximately half a mile away from RRH). The change in location allows the County and RRH to provide behavioral health care and medical care in close proximity. The new location also allows better access to care since the new location is located near a major road (North China Lake Blvd.).

Since the real property at the new location was owned by the City of Ridgecrest, RRH went through the city approval process to purchase the property, resulting in project delays. After RRH purchased the real property, the County had to get Board of Supervisors’ approval to lease the property from RRH.

In its grant application, the County anticipated being able to provide services by January 1, 2017. Due to delays mentioned above, the County now expects to complete its CSU and provide services to clients by October 2017.

The requested changes to Resolution Number MH 2015-07 are attached in track changes.

**RECOMMENDATION:**

Staff recommends the Authority approve an Amendment to Resolution Number MH 2015-07 to extend the resolution and grant period expiration date to May 31, 2018 with the following conditions:

1. The County must provide evidence acceptable to Authority staff demonstrating (a) start of construction on the CSU by July 31, 2017, and (b) the CSU shall be operational by October 31, 2017.
2. 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 October 31, 2017.
3. 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 2015-07**

**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 KERN**

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 Kern (“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 \$1,701,924.00 for the eligible project (the “Project”) 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 \$1,701,924.00 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 ~~June 30, 2017~~ May 31, 2018. Within this project period, Grantee shall provide evidence acceptable to Authority staff demonstrating (a) start of construction on the Project by July 31, 2017, and (b) the Project shall be operational on or before October 31, 2017. 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 October 31, 2017. 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 the amount 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 ~~June 30, 2017~~ [May 31, 2018](#).

Date Approved: \_\_\_\_\_

**EXHIBIT A**

**PROJECT DESCRIPTION**

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

The County of Kern (the “County”) plans to develop a new 12-bed Crisis Stabilization Unit (“CSU”) Program to serve youth and adults in the Eastern region of the County. The County expects that the new 12-bed CSU will provide services to approximately 543 individuals per year that should significantly reduce the utilization rates, law enforcement involvement, and the number of mentally ill people in crisis at emergency rooms. Program services will be delivered in a safe home-like environment and will include 24/7 evaluations, referrals and linkages, and crisis intervention services for individuals diagnosed with co-occurring substance use and mental health disorders. Grant funds will be used for construction and renovation, furnishings and equipment, information technology costs, and three months of program startup costs.

**Summary of Amount:**

<b>Program</b>	<b>Approved Grant Amount</b>
Crisis Stabilization	\$ 1,701,924.00