

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (“Authority”)

Investment in Mental Health Wellness Grant Program

Amendment to Resolution Number MH 2014-25 (Sacramento County)

February 26, 2015

PURPOSE OF THE REQUEST:

The Authority approved a grant for Sacramento County (“Sacramento”) in an amount not to exceed \$1,212,720.00 at its December 4, 2014 meeting. In its application, Sacramento planned for its non-profit service provider, Turning Point Community Programs (“Turning Point”), to lease a suitable property for the Crisis Residential Treatment (“CRT”) Program. The property owner would lease the property to Turning Point for a term of 30 years, and Turning Point would subsequently sub-let the property to Sacramento.

Sacramento’s application did not initially request grant funding for the purchase of real property for its proposed 15-bed CRT Program because the multiple steps required for Sacramento to obtain approval from its Board of Supervisors to purchase property posed significant challenges given the timeframe for the grant. Also, the Investment in Mental Health Wellness Grant Program Grant Agreement provided that the County must hold title to property purchased using grant funds. For these reasons, Sacramento decided to forego an attempt to use grant funding for the purchase of property, and instead apply the grant towards renovation of a leased property.

A revised Grant Agreement will allow Sacramento’s nonprofit service provider, Turning Point, to use grant funds to purchase and hold title to property for the CRT Program, and lease the property to Sacramento. The lease agreement will contain certain provisions (e.g. term of the lease shall be at least as long as the useful life of the project, sale of the property shall be subject to the lease agreement, the property shall be used only for the CRT Program, etc.) to help ensure the grant funds will be solely used for the CRT Program as outlined in the Grant Agreement.

Sacramento is now requesting an amendment to its project description to allow its non-profit service provider to purchase property using grant funds. With this amendment, Sacramento will be able to implement its CRT Program more quickly and efficiently while maintaining the same 15-bed capacity.

The requested changes to Resolution Number MH 2014-25 are attached as Exhibit A in track changes.

RECOMMENDATION:

Staff recommends the Authority approve the Amendment to Resolution Number MH 2014-25 to revise the project description and revise the Grant Agreement. All other conditions in the Resolution shall remain the same and in full effect.

AMENDMENT TO RESOLUTION NO. MH 2014-25

**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 SACRAMENTO**

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, “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 Sacramento (“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 \$1,212,720.00 for the eligible project (the “Project”), which consists of no more than \$1,212,720.00 for crisis residential treatment 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 \$1,212,720.00 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 March 31, 2016.

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 March 31, 2016.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

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

The County of Sacramento (the “County”) will implement a new 15-bed Crisis Residential Treatment (“CRT”) Program to expand alternatives to inpatient psychiatric services for individuals experiencing an acute mental health crisis between the ages of 18 and 59. The County will improve access to crisis services by coordinating the services of the proposed new CRT Program, the new Triage/Peer Navigators program, the Mobile Crisis Support Teams Program approved for a Grant in the first funding round, and an existing 12-bed Crisis Residential Treatment program. The additional 15 beds will increase the County’s capacity for CRT services by 125%. The existing 12-bed CRT program currently serves 177 individuals annually and it is anticipated that the new CRT Program will serve an additional 231 individuals annually, increasing total individuals served to 408 annually. The County expects to begin providing CRT services within nine months of Final Allocation. The County will coordinate disbursing Grant funds will to be used a non-profit service provider to for purchase property acquisition and; construction or renovation; e an existing building, to purchase furnishings, equipment, and information technology; and to finance three months of start-up costs. Disbursement of grant funds to the non-profit service provider is subject to the provisions of the Grant Agreement.

Summary of Amounts:

Program	Approved Grant Amount
Crisis Residential Treatment	\$ 1,212,720.00