

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)

Delegation of Powers, Resolution No 2019-04

Community Service Infrastructure Grant Program (CSI)

**County of Santa Clara, Resolution Nos. CSI 2023-02 and CSI 2023-03
(Third and Fourth Funding Rounds)**

December 12, 2024

BACKGROUND: On January 26, 2023, the Authority approved a CSI grant award for the County of Santa Clara (County) in the amount of \$2,000,000 to develop a new 8-bed jail diversion facility to provide mental health treatment services. On May 25, 2023, the Authority approved a CSI grant award for the County in the amount of \$6,000,000 to develop three jail diversion facilities, with at least 18 beds, to provide mental health treatment services. On February 29, 2024, the Authority approved a project description change for both grant awards, allowing the County to utilize the total grant funding from both grants to develop a new combined jail diversion facility, with at least 26-beds, to provide mental health treatment.

According to the County, it received approval from the Santa Clara County Board of Supervisors to acquire two properties (6066 Monterey Road, San Jose, CA and 1072 Vermont Street, San Jose, CA) on June 18, 2024; however, on September 17, 2024, the County encountered a setback when the City of San Jose decided not to proceed with the sale of the Monterey Road property due to community concerns. The San Jose City Council will vote on the sale of the Vermont Street property at its December 3, 2024 meeting, and if approved, the County will move forward with the necessary steps to acquire the property. The County is also implementing a contingency plan to identify and evaluate other suitable properties for the CSI projects.

The Authority received a request from the County dated October 4, 2024 to extend its milestone condition deadline to be open and operational from November 30, 2024 to January 29, 2025, a 60-day extension. The County's grant period and resolution expiration date is June 30, 2025.

ACTION: In consultation with STO legal counsel, who confirmed that the action fell within the Executive Director's delegated authority under Resolution No. 2019-04 the Executive Director executed the milestone extension on November 25, 2024.