

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)
Investment in Mental Health Wellness Grant Program for Children and Youth
Second Amendment to Resolution No. CY 2021-02 (Second Funding Round)
and
Amendment to Resolution No. CY 2023-01 (Fifth Funding Round)
County of Humboldt
March 27, 2025

PURPOSE OF THE REQUEST:

The County of Humboldt (County) is requesting the Authority approve amendments for its two Investment in Mental Health Wellness Grant Program for Children and Youth (CY) projects, as follows:

- 1) a second amendment to Resolution No. CY 2021-02 to amend the project description and milestone condition deadlines and extend the grant period expiration date; and
- 2) a first amendment to Resolution No. CY 2023-01 to amend the project description and extend the milestone condition deadlines.

ISSUE:

The County will not be able to meet the milestone condition deadlines of being open and operational by April 30, 2025 and of submitting all disbursement documentation by August 30, 2025 for its first grant CY 2021-02 and of being open and operational by July 31, 2025 and of submitting all disbursement documentation by December 31, 2025 for its second grant CY 2023-01. The County received two CY program grants, that combined, would fund the purchase and renovation of a 12-bed crisis residential treatment (CRT) facility.

The County, having an eagles' nest on the approximately 13 acre CRT facility property, experienced delays in the start of construction due to the National Resource Management Corporation (NRMC) eagles' nesting season restriction, which runs annually from February 1 to August 31, impacting the outdoors construction. Additionally, the County had to secure additional funding to meet the rising costs of construction. On February 13, 2025, the County informed Authority staff that the construction schedule is no longer being restricted, because the NRMC determined that there was sufficient distance between the facility and the eagles' nest and lifted the restriction. The County has now submitted an updated timeline and confirmed that CRT construction started on September 1, 2024 and is currently scheduled to be completed by December 15, 2025.

The County is requesting to align and extend the milestone condition deadlines for both resolutions No. CY 2021-02 and No. CY 2023-01: (1) the deadline to be open and operational to February 28, 2026 and (2) the deadline of submitting all disbursement documentation to March 31, 2026. Additionally, the County is requesting to extend the grant period expiration date of Resolution No. CY 2021-02 to June 30, 2026, to align it with Resolution

No. CY 2023-01. Since both grants are funding the development of the same CRT facility, aligning the project milestone condition deadlines and grant periods of the two grants will allow the County to efficiently track and meet the requirements of the CY program without unnecessary confusion. Additionally, the extensions will give the County the time needed to complete construction, for the project to become open and operational, and to submit all supporting disbursement documentation and receive grant funds.

In addition, due to discrepancies in the target population age ranges between the two resolutions, the County is requesting a project description change for Resolution No. CY 2021-02 and Resolution No. CY 2023-01 to amend and align the age range for children and youth receiving services at the CRT facility from seven to 17. The County confirmed that the CRT will serve only children and youth ages seven to 17, and that mental health services for youth 18 and over are already in place in Humboldt County.

The CY program's statutory/budget end date is June 30, 2026, which means all projects need to be open and operational and all funds need to be disbursed by this deadline.

BACKGROUND:

The County was approved by the Authority for two CY grants during two funding rounds to develop a twelve-bed CRT program and one Mobile Crisis Support Team (MCST) to provide mental health crisis services for children and youth.

1st CY Grant (Round 2):

On April 29, 2021, the Authority approved Resolution No. CY 2021-02, authorizing a CY grant for the County in the amount of \$5,104,321.00 to add a 9-bed CRT program, a 3-bed Crisis Stabilization Unit (CSU), and one MCST. Of the total approved grant moneys, \$4,944,161 is for capital funding (CRT: \$3,474,155.00; CSU: \$1,407,606.00; and MCST: \$62,400.00) and \$160,160.00 is for annual personnel funding for up to five years subject to the availability of appropriations for this purpose in the Legislature's annual Budget Act.

The resolution was approved with a grant period expiration date of April 30, 2024, with the following milestones conditions: (1) the County shall provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before April 30, 2023; (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 April 30, 2023; and (3) the County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than April 30, 2023.

On February 23, 2023, the Authority approved a first amendment to Resolution No. CY 2021-02, amending the milestone conditions and extending the grant period expiration date to give the County additional time needed to finish the renovation of the CRT facility. The Authority also approved an amendment in the project description in the resolution to remove the CSU project and all associated funding, reducing the total grant amount from \$4,944,161.00 to \$3,536,555.00. The amendment to the resolution was approved, with a grant

period expiration date of April 30, 2026, and the following milestones conditions: (1) the County shall provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before April 30, 2025; funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff, and (3) the County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than August 31, 2025.

The MCST began providing services on July 1, 2023.

2nd CY Grant (Round 5):

On December 7, 2023, the Authority approved Resolution No. CY 2023-01, authorizing a CY grant for the County in the amount of \$2,509,305.40 to add three new beds to the nine-bed CRT project approved for funding with the grant Resolution No. CY 2021-02, to serve children and youth ages seven to 18 experiencing a mental health crisis. The additional three CRT beds were to serve approximately 108 clients annually. The resolution was approved with a grant period expiration date of June 30, 2026, with the following milestones conditions: (1) the County shall provide evidence acceptable to Authority staff demonstrating that the project shall be operational on or before July 31, 2025; and funds shall not be disbursed if the Grantee is not able to provide evidence acceptable to the Authority staff and (2) the County must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than December 31, 2025.

RECOMMENDATION:

Staff recommends the Authority approve a second amendment to Resolution No. CY 2021-02 to amend the project description and the milestone condition deadlines and extend the grant period expiration date to June 30, 2026; and to approve a first amendment to Resolution No. CY 2023-01 to amend the project description and the milestone condition deadlines, subject to the following amended milestone conditions:

- 1) The County shall provide evidence acceptable to Authority staff demonstrating the Project shall be open and operational on or before February 28, 2026, and funds shall not be disbursed if the County is unable to provide evidence acceptable to Authority staff.
- 2) The County shall submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than March 31, 2026.

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

~~FIRST~~SECOND AMENDMENT TO RESOLUTION NO. CY 2021-02

**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
FOR CHILDREN AND YOUTH
TO THE COUNTY OF HUMBOLDT**

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) as supplemented by Chapter 30, Statutes of 2016 (SB 833), Section 20, the Investment in Mental Health Wellness Grant Program for Children and Youth (“Children and Youth Program”) and implementing regulations (California Code of Regulations, Title 4, Division 10, Chapter 7 (commencing with Section 7313)) to award grants for capital funding and personnel funding to finance eligible projects; and

WHEREAS, Authority staff reviewed the application submitted by County of Humboldt (“Grantee”) against the eligibility requirements of the Children and Youth Program and implementing regulations, and pursuant to the Children and Youth Program and implementing regulations, recommends approval of a grant for the eligible project (the “Project”), which consists of crisis residential treatment capital costs, mobile crisis support team capital costs and mobile crisis support team personnel costs, 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); and

WHEREAS, the Legislature has and may continue to appropriate funds for mobile crisis support team personnel costs in future fiscal years;

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

Section 1. The Authority hereby approves a grant for capital costs in the amount of \$3,536,555.00 to the Grantee to complete the Project within a grant period that ends on ~~April 30, 2026~~ June 30, 2026. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating the Project shall be open and operational on or before ~~April 30, 2025~~ February 28, 2026, and funds shall not be disbursed if Grantee is unable to provide evidence acceptable to Authority staff. Grantee must submit all capital costs disbursement requests, including required supporting documentation, to the Authority no later than ~~August 30, 2025~~ March 31, 2026.

Section 2. The Authority hereby approves a grant for mobile crisis support team personnel costs in the annual amount of \$160,160.00 for up to five years. Annual grant amounts subsequent to the initial amount granted are subject to availability of annual budget appropriations by the Legislature. The Executive Director, or the Deputy Executive Director, are hereby authorized and directed, for and on behalf of the Authority, to continue to disburse those funds as may be available under the State Budget Act for each fiscal year.

Section 3. The Executive Director, or the Deputy Executive Director, are hereby authorized and directed, 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. Nothing in this Resolution shall be construed to require the Authority to provide additional funding, even if more grants are approved, exceeding 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 available for any reason whatsoever.

Section 4. The Executive Director, or the Deputy Executive Director, are 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, or the Deputy Executive Director, are 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 Children and Youth Program and implementing regulations.

Section 5. The Executive Director, or Deputy Executive Director, are hereby authorized and directed, for and on behalf of the Authority, to do any and all things and to execute and deliver any and all documents which the Executive Director, or the Deputy Executive Director, deems necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 6. All funds from this grant must be used in support of the County's crisis residential treatment and mobile crisis support team programs for children and youth.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Humboldt (County) as follows:

Crisis Residential Treatment

The County will develop a new Crisis Residential Treatment (CRT) program with at least nine beds to provide mental health crisis services for children and youth ages seven to ~~21~~ 17. The County may use the grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's crisis residential treatment program for children and youth.

Mobile Crisis Support Team

The County will add at least one new mobile crisis support team by purchasing one new vehicle and hiring two new full-time equivalent staff that may include a licensed clinical social worker and a medical assistant to provide mental health crisis services for children and youth ages seven to 21. The County may use the grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's mobile crisis support team program for children and youth.

Summary of Amounts:

Program	Approved Grant Amounts
Crisis Residential Treatment Program	\$ 3,474,155.00
Mobile Crisis Support Team – Capital Funding	\$ 62,400.00
Mobile Crisis Support Team – Personnel Funding	\$ 160,160.00
Total	\$ 3,696,715.00

AMENDMENT TO RESOLUTION NO. CY 2023-01

**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 FOR CHILDREN AND YOUTH
TO THE COUNTY OF HUMBOLDT**

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 (Welf. & Inst. Code, § 5848.5) to implement the Investment in Mental Health Wellness Grant Program for Children and Youth (Cal. Code Regs., tit. 4 § 7313 et seq.) (“Children and Youth Program”) to award grants for capital funding and personnel funding to expand local resources for the development, capital, equipment acquisition, and applicable program startup or expansion costs to increase capacity for client assistance and services for children and youth 21 years of age and under; and

WHEREAS, The County of Humboldt (“Grantee”) qualifies as an eligible entity under Welfare and Institutions Code section 5848.5(f); and

WHEREAS, Authority staff reviewed the Grantee’s application against the eligibility requirements of the Children and Youth Program, and pursuant to the Children and Youth Program, recommends the approval of a grant in an amount not to exceed \$2,509,305.40 of one-time capital funding for the eligible project (the “Project”), as described in the Grantee’s application; and

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

Section 1. The Authority hereby approves a grant for capital costs in a total amount not to exceed \$2,509,350.40 to the Grantee to complete the Project as described in the Children and Youth Program application and Exhibit A to this Resolution (Exhibit A is here by incorporated by reference), by June 30, 2026, the end of the grant period. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating the Project shall be open and operational by ~~July 31, 2025~~ February 28, 2026, and funding shall not be disbursed if the Grantee is unable to provide evidence acceptable to Authority staff. The Grantee shall submit all capital cost disbursement requests, including required supporting documentation, to the Authority by ~~December 31, 2025~~ March 31, 2026.

Section 2. For and on behalf of the Authority, the Executive Director and the Deputy Executive Director are hereby authorized and directed to do all of the following:

(a) Approve any minor, non-material changes in the Project described in the application submitted to the Authority. Nothing in this Resolution shall be construed to require the Authority to provide additional funding, even if more grants are approved, exceeding available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should that funding not be available for any reason whatsoever.

(b) Allocate funding not to exceed those amounts approved by the Authority for the Grantee.

(c) Execute and deliver to the Grantee any and all documents necessary to complete the transfer of moneys that are consistent with the Children and Youth Program.

(d) Do any and all things and to execute and deliver any and all documents that the Executive Director, or the Deputy Executive Director, deems necessary or advisable to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 3. All funding from this grant shall be used in support of the Grantee's crisis residential treatment program for children and youth, as described in the Children and Youth Program application and Exhibit A to this Resolution.

Section 4. This Resolution shall repeal on June 30, 2026.

Date Approved: _____

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Humboldt (Grantee) as follows:

Crisis Residential Treatment

The Grantee will add at least three new beds to an existing nine-bed crisis residential treatment program that will provide mental health services for children and youth ages seven to ~~18~~ 17. The Grantee may use the grant funding, consistent with California Code of Regulations, title 4, section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the Grantee's crisis residential treatment program for children and youth.

Summary of Amounts:

Program	Approved Grant Amount
Crisis Residential Treatment – Capital Funding	\$ 2,509,305.40