

NOTICE PUBLICATION/REGULATIONS SUBMISSION

See instructions on
reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-	REGULATORY ACTION NUMBER	EMERGENCY NUMBER 2019-0517-04EE
For use by Office of Administrative Law (OAL) only			
NOTICE		REGULATIONS	
AGENCY WITH RULEMAKING AUTHORITY California Health Facilities Financing Authority			AGENCY FILE NUMBER (If any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Community Services Infrastructure Grant Program		1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S) 2018-1115-02E, Z-2019-0226-02	
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)			
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)		ADOPT 7413, 7414, 7415, 7416, 7417, 7418, 7419, 7420, 7421, 7422, 7423, 7424, 7425, 7426, 7427, 7428, 7429	
		AMEND 7427	
TITLE(S) 4		REPEAL	
3. TYPE OF FILING			
<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346) <input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §11349.3, 11349.4) <input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))			
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. <input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)			
<input checked="" type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h)) <input type="checkbox"/> File & Print <input type="checkbox"/> Other (Specify) _____			
<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100) <input type="checkbox"/> Print Only			
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)			
5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or, October 1 (Gov. Code §11343.4(a))			
<input checked="" type="checkbox"/> Effective on filing with Secretary of State			
<input type="checkbox"/> \$100 Changes Without Regulatory Effect			
<input type="checkbox"/> Effective other (Specify) _____			
6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)			
<input type="checkbox"/> Fair Political Practices Commission			
<input type="checkbox"/> State Fire Marshal			
<input type="checkbox"/> Other (Specify) _____			
7. CONTACT PERSON Sondra Jacobs		TELEPHONE NUMBER 916-653-2799	FAX NUMBER (Optional) E-MAIL ADDRESS (Optional)

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE

TYPED NAME AND TITLE OF SIGNATORY

Frank Moore, Executive Director, CA Health Facilities Financing Authority

For use by Office of Administrative Law (OAL) only

TEXT OF REGULATIONS
California Code of Regulations
Title 4, Division 10, Chapter 8
Community Services Infrastructure Grant Program

Section 7413. Definitions.

The following definitions shall apply wherever the terms are used throughout this Chapter.

- (a) "Applicant" means an entity that meets the eligibility requirements as further described in Section 7414 for submission of an Application and submits an Application.
- (b) "Application" means the written request for a Grant under the Community Services Infrastructure Grant Program in the form and format of the Community Services Infrastructure Grant Program Application, Form No. CHFFA 9 CSI-01 (09/2018), which is hereby incorporated by reference, including all supporting information and documents, as further described in Section 7416.
- (c) "Authority" means the California Health Facilities Financing Authority.
- (d) "Authority Staff" means employees of the Authority.
- (e) "Counties Applying Jointly" means counties that submit an Application together for a Project to deliver services.
- (f) "Executive Director" means the executive director of the Authority.
- (g) "Feasible" means the Project has secured all of the necessary funding and developed a detailed plan with the steps necessary to complete the Project and begin providing Program services.
- (h) "Final Allocation" means the Grant amount approved by the Authority as further described in Section 7422.
- (i) "Funding Round" means the time period during which Applications may be submitted for consideration of funding by the Authority.
- (j) "Grant" means an award of funds to an Applicant.
- (k) "Grant Agreement" means a written agreement between the Authority and a Grantee that consists of the terms and conditions of the Grant.
- (l) "Grant Award Letter" means the official notification that a Grant has been approved by the Authority.
- (m) "Grant Period" means the time period from the date of Final Allocation to the date set by the Authority for the Grant to end and the Program to be operational.

- (n) "Grantee" means a county or Counties Applying Jointly that has been awarded or designated to receive Grant funds.
- (o) "Initial Allocation" means the Grant amount the Authority Staff recommends the Authority approve for Final Allocation as further described in Section 7420.
- (p) "Jail Diversion" means the avoidance of or reduction in jail and/or prison time, through directive or court order, to a mental health treatment facility, substance use disorder treatment facility, and/or trauma-centered services facility as an alternative to incarceration.
- (q) "Jail Diversion Program" or "Program" means a program that offers one or more of the following components: mental health treatment, substance use disorder treatment, and/or trauma-centered services.
- (r) "Justice-Involved Individual" means an individual who has been subject to an arrest and/or the adjudication process.
- (s) "Lead Grantee" means the county designated on the Application to have the primary responsibility for the fiscal management of Grant funds, records retention, reporting, and all of the other aspects of compliance with this Chapter and the Grant Agreement.
- (t) "Project" means expansion, facility acquisition, renovation, equipping, or financing of capital assets.
- (u) "Ready" means the Project has all applicable approvals and/or documents for the Project to begin.
- (v) "Related Supports" means local service providers who interact with Justice-Involved Individuals during and after an arrest or adjudication, including health care providers, law enforcement, judicial systems, public health systems, behavioral health providers, social services, triage personnel, community-based organizations, and other supports within the continuum of care.
- (w) "Subsequent Funding Round" means any specified time period after the initial Funding Round during which Applications may be submitted to be considered for funding by the Authority, subject to the availability of funds.
- (x) "Sustainable" means the Program has reasonably foreseeable funding to operate on a continuous basis, or at least for the useful life of the Project.
- (y) "Target Population" means Justice-Involved Individuals identified as the intended beneficiaries of the Program(s) to be funded by a Grant, including Justice-Involved Individuals eligible for Medi-Cal and Justice-Involved Individuals eligible for county health and mental health services.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7414. Eligibility.

(a) The following entities are eligible to apply for a Grant under the Community Services Infrastructure Grant Program:

- (1) A county.
- (2) Counties Applying Jointly.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7415. Eligible Project Costs.

(a) Eligible costs for Projects include:

- (1) Facility acquisition.
 - (2) Renovation, including costs of:
 - (A) Project planning or Project management.
 - (B) Appraisals.
 - (C) Inspections.
 - (D) Pre-renovation, including but not limited to permit fees, surveying, architectural, and engineering fees.
 - (E) Hardscaping and/or landscaping essential to the completion of the Project, not to exceed 5% of total Grant award.
 - (3) Furnishings and/or equipment.
 - (4) Information technology hardware and software, not to exceed 3% of total Grant award except when approved by the Authority and only upon submission of justification that the additional information technology costs are necessary for the Project to achieve the desired goals and outcomes set forth in Section 7419, subdivision (a)(3).
 - (5) Up to three months of Program startup or expansion costs consisting of training, personnel salaries, and personnel benefits.
- (b) Grant funds shall be used only for costs directly related to and essential for the completion of the Project.
- (c) Eligible costs include only those incurred during the Grant Period.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7416. Grant Application.

- (a) Entities that meet the eligibility requirements of Section 7414 may apply for a Grant.
- (b) Applications with multiple Applicants shall designate one of the Applicants as Lead Grantee should a Grant be awarded.
- (c) One application shall be submitted per Project site.
- (d) If a Project includes multiple Program components, only a single Application is required.
- (e) Application forms shall be available on the Authority's website at www.treasurer.ca.gov/chffa and will be referred to as the Community Services Infrastructure Grant Program Application, Form No. CHFFA 9 CSI-01 (09/2018).

(1) An original and two copies of the Application shall be received by the Authority no later than 5:00 p.m. (Pacific Time) on the deadline date posted on the Authority's website at www.treasurer.ca.gov/chffa and may be sent by mail or delivery to:

California Health Facilities Financing Authority
Community Services Infrastructure Grant Program
915 Capitol Mall, Room 435
Sacramento, California 95814

or the Application may be emailed as a Portable Document Format (PDF) attachment to chffa@treasurer.ca.gov. The Authority is not responsible for email transmittal delays or failures of any kind.

(2) Incomplete Applications and Applications received by the Authority after the deadline date and time of the funding round shall not be accepted for review in that funding round.

(3) Applications shall be considered final as of the deadline date and time. No additional information or documents shall be accepted by the Authority after that date, except as specifically requested by the Authority.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7417. Funding Rounds and Application Deadlines.

- (a) The deadline for the first Funding Round shall be April 30, 2019, and shall be posted on the Authority's website at www.treasurer.ca.gov/chffa within ten business days following the date the regulations are filed with the Secretary of State.

(b) If funds are available, the deadline for Subsequent Funding Rounds shall be posted on the Authority's website at www.treasurer.ca.gov/chffa. Applications shall be due no sooner than two months following the posting of the deadline on the Authority's website.

(c) Notices of deadlines will be posted on the Authority's website and sent to the Authority's listserv to which anyone may subscribe at www.treasurer.ca.gov/chffa.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7418. Maximum Grant Amounts.

(a) In the first Funding Round, Applicants may apply for funds totaling no more than the following maximum Grant amounts per county, according to the most recent population projection by the California Department of Finance at the time the Application is submitted:

County Population	Maximum
(1) 100,000 or less	\$750,000
(2) 100,001 to 400,000	\$1,000,000
(3) 400,001 to 1,100,000	\$2,500,000
(4) 1,100,001 to 5,000,000	\$4,000,000
(5) 5,000,001 or more	\$6,000,000

(b) Counties Applying Jointly may, at their discretion, apply for up to the sum of their respective maximum funding amounts.

(c) If funds for Grants remain after Final Allocations have been awarded for Applications submitted in the first Funding Round, Applications may be submitted during a Subsequent Funding Round without regard to previous maximum Grant amounts per county, and Grant awards shall be made on a statewide competitive basis.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7419. Evaluation Criteria.

(a) Applications shall be scored on the following criteria:

(1) Project increases or expands access to and capacity for community mental health treatment, substance use disorder treatment, and/or trauma-centered services that offer relevant alternatives to incarceration. (Maximum 25 points)

(A) Project proposes new or expanded treatment and/or service facilities to be funded by the Grant, describes the services within the facilities, and clearly identifies the Target Population(s) to be served. (Maximum 7 points)

(B) Project meets the community need, seeks to address who does and does not receive services now, including demographics, and is designed to reduce the need of mental health treatment, substance use disorder treatment, and/or trauma-centered services in jails and/or prisons. (Maximum 6 points)

(C) Project increases capacity for community based Jail Diversion Program(s). Application indicates mental health treatment, substance use disorder treatment, and/or trauma-centered service beds or service capacity that will be added, and how the number(s) added will impact the Target Population(s) and translate into a number of additional individuals that may be served in the community. (Maximum 6 points)

(D) Application describes existing or proposed Jail Diversion plan, including the intercepts (e.g., pre-booking, pre-plead, post-conviction) at which Justice-Involved Individuals are diverted from jail and/or prison. (Maximum 6 points)

(2) Application demonstrates a clear plan for a continuum of care for mental health treatment, substance use disorder treatment, and trauma-centered services; and for collaboration, integration, and linkage with health care providers, law enforcement, judicial systems, public health systems, behavioral health services, and social services. (Maximum 15 points)

(A) Project fits in with the continuum of care as it presently exists in the community. The Application identifies the shortcomings that exist within the continuum and how the Project will improve the existing continuum of care for Justice-Involved Individuals utilizing mental health treatment, substance use disorder treatment, and/or trauma-centered services. (Maximum 4 points)

(B) Application describes how the Target Population(s) will be retained in treatment and the discharge plan from the Program(s), including the continuum of care that the Target Population(s) will receive once discharged from the Program(s). (Maximum 4 points)

(C) Application identifies working relationships with Related Supports that already exist and/or which will be established to enhance and expand community collaboration designed to maximize and expedite access to treatment and/or services for the purpose of diverting individuals with mental health disorders, individuals with substance use disorders, and/or who are victims of trauma arising from sex trafficking, domestic violence, and other violent crimes from jails and/or prisons and improving wellness for those individuals. (Maximum 4 points)

(D) Identification of working relationships shall be supported by letters or Memoranda of Understanding from Related Supports identifying the collaborative efforts amongst the agencies identified to expand treatment and/or services. (Maximum 3 points)

(i) Counties Applying Jointly shall provide evidence, such as Memoranda of Understanding and/ or interagency agreements, or a plan in place showing collaboration between counties for treatment and/or services for Justice-Involved Individuals across county lines.

(3) Identifies key outcomes and a plan for measuring them. (Maximum 10 points)

(A) Application includes methodology, timeline, and assignment of responsibility to measure and demonstrate outcomes of the Program, including the following:

(i) Reduced number of individuals with mental health disorders, individuals with substance use disorders, and victims of trauma in jails and/or prisons; and reduced need for mental health treatment, substance use disorder treatment, and/or trauma-centered services in jails and/or prisons. (Maximum 2 points)

(ii) Number and demographics of individuals within the Target Population(s) who utilize mental health treatment, substance use disorder treatment, and/or trauma-centered services. (Maximum 2 points)

(iii) Number and demographics of individuals who complete treatment and/or services. (Maximum 2 points)

(iv) Number and demographics of individuals who did not complete treatment and/or services and were returned to jail and/or prison. (Maximum 2 points)

(v) Cost savings of the Program(s) compared to the cost of providing mental health treatment, substance use disorder treatment, and/or trauma-centered services in jails and/or prisons. (Maximum 2 points)

(4) Project is, or will be, Ready, Feasible, and Sustainable. (Maximum 50 points)

(A) Application provides a detailed plan and timeline with the steps needed to complete the Project and demonstrates the ability to meet the timeframe set forth in subdivision (G). Supporting documentation is provided, if available. (Maximum 15 points)

(i) Address of Project site, if available. If a Project site has not been identified, a description of the process, criteria for selection, and timeline for identification of Project site that will be utilized. (Maximum 2 points)

(ii) Renderings and/or floor plans of Project site, if available. (Maximum 2 points)

(iii) Necessary approvals and processes to complete the Project, and the names and roles of all responsible entities. This includes, but is not limited to, County Board of Supervisors' approval, Requests for Proposals, architectural and construction contracts, California Environmental Quality Act (CEQA) compliance, building permits, conditional use permits, and Memoranda of Understanding/interagency agreements for Counties Applying Jointly, as applicable. (Maximum 3 points)

(iv) Key milestones, in the future and completed to date, including projected or actual Project start date (i.e., date of purchase, renovation, or lease), Project end date (i.e.,

date of occupancy), and projected start date of services to the Target Population(s). (Maximum 3 points)

(v) The plan and current status for staffing the Program(s). (Maximum 2 points)

(vi) Potential challenges that may affect the timeline to start providing services and how those challenges will be mitigated, including but not limited to, site identification and acquisition, contracting, local use permit process, County Board of Supervisors' approval, CEQA process, Building Code compliance, selection of service provider, licensure, certification, loss of a site, delays in local (city and/or county) approvals, community opposition issues, loss or reduction in leveraged funding, and increased Project costs, as applicable. (Maximum 3 points)

(B) Application describes community outreach and engagement efforts for the proposed Program(s) in the vicinity of the planned Project site. The following items are provided: (Maximum 7 points)

(i) A copy of the notice informing the public of the time and place of the meeting at which the planned Project will be discussed, and a copy of the agenda for the meeting, including evidence of time allocated for public discussion, and any other evidence of collaboration with the county agency that oversees community outreach efforts.

(C) A qualified service provider has been identified or a plan is in place for identifying one and the following are addressed: (Maximum 8 points)

(i) If a service provider that will operate the Program(s) has already been identified, written plans in place for how the treatment and/or services will be provided shall be described. These include a description of range of services offered and information about the service provider including expertise in mental health treatment, substance use disorder treatment, and/or trauma-centered services; purpose; goals; and services of the organization. (Maximum 5 points)

OR

If a service provider has not been identified, the process, criteria for selection, and timeline for identification are clear. (Maximum 5 points)

(ii) Service provider has at least three years of experience working with the Target Population(s). (Maximum 3 points)

(D) For proposed Program(s), Application demonstrates certainty of Medi-Cal certification and/or certainty of state licensure/certification, if applicable. (Required, but no points awarded)

(E) Application identifies total cost of the Project, and sufficient funding sources or a plan for acquiring them. (Maximum 10 points)

(i) A line item of Project costs, including the proposed use of Grant funds.

(ii) Project leverages public and/or private funding sources sufficient to complete the Project and includes the amounts and current status of funding.

(iii) The total uses of funds shall not exceed the total amount of all available funding sources.

(iv) A description of the County's internal processes to ensure the Grant funds will only be used for eligible costs as described in Section 7415.

(F) Application includes: (Maximum 10 points)

(i) A budget that details annual projected operating costs.

(ii) A description of new Program funding sources with amounts and cash flow projections and/or how existing funding will be redirected to provide ongoing support for the useful life of the Project for new and expanded services.

(iii) Documentation such as funding letters, minutes from the County Board of Supervisors meeting evidencing approval of the budget, or other documentation acceptable to the Authority. If approval has not been obtained, a detailed plan for obtaining such approval is provided.

(G) Application shall demonstrate that Project will be Ready, Feasible, and Sustainable within 12 months of the approval of the Final Allocation.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7420. Initial Allocation.

(a) Authority Staff will evaluate the Application's completeness, responsiveness, and clarity in addressing the criteria described in Section 7419.

(b) The scores from each reviewer of the Authority Staff will be added and the average of the scores will be calculated. The average score will be the final score assigned to the Application.

(c) The Authority Staff will make Initial Allocations based on the final score assigned to each Application; from the highest to the lowest, and present the Initial Allocations to the Authority for Final Allocations.

(d) Notification of Initial Allocations will be sent to Applicants before the public meeting at which the Authority will determine Final Allocations.

(e) During any funding round, Initial Allocations shall be limited to Applications which receive a minimum of 60 points under Section 7419.

(1) Applications shall score a minimum of 35 points under Section 7419, subdivision (a)(4) to be considered for an Initial Allocation.

(2) Applications receiving a score of zero points in any criteria in Section 7419, subdivision (a)(1), (a)(2), or (a)(3) shall not be considered for an Initial Allocation.

(3) Initial Allocations may be considered for Applications scoring fewer than 60 points to achieve the statewide objective of increasing and expanding mental health treatment facilities, substance use disorder treatment facilities, and trauma-centered service facilities in local communities in order to reduce the number of individuals with mental illness, substance use disorder, and trauma in jails and/or prisons.

(f) Initial Allocations may be less than the amount requested in the Application to control Project costs and achieve the statewide objective of increasing and expanding mental health treatment facilities, substance use disorder treatment facilities, and trauma-centered service facilities in local communities in order to reduce the number of individuals with mental illness, substance use disorder, and trauma in jails and/or prisons.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7421. Appeals.

(a) Availability.

(1) The Applicant designated as Lead Grantee on an Application may, on behalf of all Applicants listed on an Application, appeal the amount of the Initial Allocation recommended by Authority Staff for that Application, including an Authority Staff determination not to recommend a Grant. No Applicant may appeal an Initial Allocation made to another Applicant.

(b) Timing.

(1) The appeal shall be submitted to the Executive Director no later than five calendar days following the date of the notification of Initial Allocation.

(2) Appeals may be submitted to the Executive Director by email, mail, or delivery to:

California Health Facilities Financing Authority
915 Capitol Mall, Room 435
Sacramento, California 95814

Email address: chffa@treasurer.ca.gov

(c) Review.

(1) The Executive Director shall review the appeal based on the Application as originally submitted. Any new or revised Application, additional documentation, and/or information that was not submitted in the original Application shall not be considered.

(2) The Executive Director shall make a decision on the merit of the appeal and notify the Applicant of the decision no later than 20 calendar days after receipt of the appeal.

(3) The decision of the Executive Director may be appealed to the Authority, by written notification to the Executive Director within five calendar days of the date of the Executive Director's decision.

(4) The Authority shall make a final decision on an appeal of the Executive Director's decision at the public meeting when Final Allocations are determined.

(d) Successful appeals.

(1) An Initial Allocation to an Applicant based on the appeal may result in a reduction or elimination of Initial Allocations to other Applicants that would have otherwise received an Initial Allocation.

(2) Adjustments to any Initial Allocations following any appeals may not be appealed.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7422. Final Allocation.

(a) Final Allocations shall be determined by the Authority at a public meeting.

(b) A Grant Award Letter that includes the following shall be sent to all Applicants approved for a Final Allocation:

- (1) Name(s) of the Grantee.
- (2) Grant amount.
- (3) The Grant Period.
- (4) A description of the costs to be funded by the Grant.

(5) A request for a resolution of the Grantee's governing board authorizing an official to accept the Grant and all responsibilities flowing therefrom.

(6) Notification that funding of a Grant is contingent upon the availability of funds under the Community Services Infrastructure Program.

(7) A statement that the Authority reserves the right to modify or cancel the commitment upon failure of the Applicant to execute a Grant Agreement or otherwise fail to comply with this Chapter or if the Authority becomes aware of any matter which, if known at the time of Application review and approval, would have resulted in the rejection of the Application or the Grant not being approved.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7423. Use of the Grant.

- (a) Grant funds shall only be used for the purposes described in the Grant Agreement.
- (b) Grant funds may supplement but not supplant existing financial or resource commitments.
- (c) Grantee may request a change in the use of Grant funds or request an extension of the Grant Period by submitting a written request to the Authority that documents the reason(s) the change is needed and demonstrates it is consistent with Welfare and Institutions Code Section 5848.51 and this Chapter.
- (d) Grantee shall not make changes to the uses of Grant funds until receipt of written approval from the Authority.
- (e) Grantee shall not dispose of any capital asset acquired by Grant funds before the end of the useful life of the asset.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7424. Grant Agreement.

- (a) The terms and conditions of a Grant shall be set forth in a Grant Agreement which shall include, at a minimum, all of the following:
 - (1) The Grant amount.
 - (2) A description of the Project.
 - (3) Release of Grant Funds procedures in accordance with Section 7425, as applicable.
 - (4) Agreement that the Grantee shall comply with Welfare and Institutions Code Section 5848.51 and this Chapter, including but not limited to Section 7423.

(5) The Grantee shall defend, indemnify, and hold harmless the Authority and the State of California, and all officers, trustees, agents, and employees of the same, from and against any and all claims, losses, costs, damages or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Grant or Project.

(6) The Grantee shall comply with state and federal laws prohibiting discrimination, including those prohibiting discrimination because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status.

(7) Grantee shall comply with California's prevailing wage law under Labor Code Section 1720 et seq. for public works projects.

(8) Grantee shall cooperate in inspections and audits.

(9) Notification that, subject to the availability of funds, the Grant may be rescinded or reduced.

(10) Provisions relating to lease agreements, if applicable, pursuant to Section 7426.

(11) Resolution of the Authority authorizing the Grant.

(12) Resolution of the Grantee's governing board accepting the Grant and delegating authority to an officer to act on its behalf.

(13) Provision regarding default and its remedies, including forfeiture and return of the Grant funds to the Authority.

(14) Provision requiring Grantee to provide updated information upon request from Authority Staff to determine the Project's readiness and feasibility.

(15) Other terms and conditions that may be required by the Authority related to the Grant or Project.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7425. Release of Grant Funds.

(a) Grant funds shall not be released until the following requirements have been met:

(1) A Grant Agreement has been executed by the Authority and Grantee.

(2) The Grantee has submitted to the Authority the following documentation, if available. If not available, Grantee has submitted a detailed statement concerning the status of obtaining any or all of this documentation to enable Authority Staff to determine readiness, feasibility, and sustainability.

- (A) For renovation:
 - (i) Detail of building plans, costs, and timelines.
 - (ii) Executed construction contract.
 - (iii) Architect, design and engineering contracts, if applicable.
 - (iv) Building permits and conditional use permits, if applicable.
 - (v) Evidence of compliance with CEQA.
 - (vi) Evidence of compliance with prevailing wage law under Labor Code Section 1720 et. seq.
 - (vii) Evidence of property ownership, such as a grant deed, title report, or lease agreement and title report as required under Section 7426.
- (B) For facility acquisitions:
 - (i) An appraisal completed within the previous six months by a state certified appraiser.
 - (ii) Evidence of or execution plan to obtain legally required zoning for the Program(s).
- (C) For acquisition of furniture and equipment: A list of items to be purchased and a copy of related purchase orders.
- (D) For other eligible costs: Contracts and/or purchase orders.

(3) The Authority Staff has determined the Project is Ready, Feasible, and Sustainable. This determination will be made by evaluating the Grantee's documentation addressing the evaluation criteria listed in Section 7419, subdivision (a)(4).

(A) The determination that the Project is Ready, Feasible, and Sustainable may occur at the time of Initial Allocation or within the timeframe specified in Section 7419, subdivision (a)(4)(G).

(i) If the determination is made after Final Allocation, the determination shall be based on updated information provided to the Authority by Grantee in accordance with Section 7424, subdivision (a)(14).

(B) Limited extensions beyond the timeframe specified in Section 7419, subdivision (a)(4)(G) shall be made on a case-by-case basis at the discretion of the Executive Director for good cause, including but not limited to reasonable delays associated with obtaining building and conditional use permits, obtaining CEQA compliance documentation, or identifying a qualified provider.

(C) Failure to demonstrate readiness, feasibility, and sustainability within the timeframes dictated by the Authority shall cancel the Grant and the Grant funds shall be made available to other Applicants.

(4) The Grantee has submitted to the Authority a completed Request for Disbursement Form No. CHFFA 9 CSI-02 (09/2018), which is hereby incorporated by reference. Except for the initial submission of the Request for Disbursement Form No. CHFFA 9 CSI-02 (09/2018), an Actual Expenditures Report Form No. CHFFA 9 CSI-03 (09/2018), which is hereby incorporated by reference, as required by Section 7428, subdivision (b), shall accompany all Requests for Disbursement Form No. CHFFA 9 CSI-02 (09/2018).

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7426. Requirements for Renovation Projects on Leased Property.

(a) A Grantee may use Grant funds for renovation on property that is leased to the Grantee. The following requirements shall be satisfied prior to release of Grant funds:

(1) The lease agreement shall provide the Grantee, as lessee, full access to the site to carry out the Project.

(2) The term of the lease agreement shall be equal to or greater than the useful life of the Project.

(3) The lease agreement shall provide that any existing or subsequent encumbrance on the property (e.g., deed of trust) or sale of the property shall be subject to the lease agreement.

(4) The lease agreement shall provide that the only remedy for any default by Grantee, including failure to pay rent, is suit for rent or specific performance to remedy specific breach. The landlord's remedies for any default by Grantee may not include cancellation of lease agreement, retaking of property, or eviction of Grantee.

(5) A current title report on the site, brought up to date as of the effective date of the lease agreement shall be provided to the Authority. The title report shall show all of the following:

(A) No delinquent taxes or assessments or, if there are delinquent taxes or assessments, these are being contested in good faith.

(B) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.

(C) A restrictive covenant recorded in the chain of title that the property shall be used only for the appropriate Jail Diversion services outlined in the Grantee's application during the useful life of the leasehold improvements funded by the Grant.

(D) Fee title is subject to the lease agreement and recorded in the chain of title.

(6) The Grantee's legal counsel, or an authorized officer of the Grantee shall sign a letter certifying that the lease agreement conforms to Section 7426, subdivisions (a)(1) through (a)(5), and including a statement of the projected useful life of the Project.

(A) If the letter is signed by an authorized officer of the Grantee, a statement shall be included that the Grantee's legal counsel has been consulted.

(b) If the lease agreement terminates prior to the end of the useful life of the Project and the property that was subject to the lease agreement is not simultaneously released under a new lease agreement that complies with the requirements of this Section or fee title to the property that was subject to the lease agreement is not simultaneously transferred to the Grantee, the Authority is entitled to recover the Grant funds.

(c) When a Project on leased property includes improvements to any common areas that are shared with other tenants or areas that are not leased by the Grantee, the Grant funds shall be limited only to the proportionate costs of the Project which exclude the costs related to such areas.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7427. Recovery of Funds for Non-Performance and Unused Grant Funds; Remedies.

(a) If the Authority determines that Grant funds were not used consistent with Welfare and Institutions Code Section 5848.51, this Chapter, or the Grant Agreement, the Authority may require remedies, including the forfeiture and return of the Grant funds to the Authority.

(b) If the Grantee fails to timely begin or complete the Project, the Authority may require remedies including forfeiture and return of the Grant funds to the Authority.

(c) Unused funds and any unused interest earnings on such Grant funds shall be returned by the Grantee to the Authority no later than the date of the certification of Project completion.

~~(d) In the event the county or Counties Applying Jointly do not take and hold title to the real property as provided in Section 7425, the Authority may take any action necessary to take and hold title to the real property.~~

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7428. Reporting Requirements.

(a) The Grantee shall submit a status report within 45 days following the completion of the periods ending on June 30 and December 31 of each year during the Grant Period, and upon the Authority's request.

(1) Status reports to the Authority shall include:

(A) A description of activities performed for Project implementation, and activities related to Program development and implementation, and population(s) served, as applicable, since the date of the preceding status report or the Final Allocation.

(B) A summary of incurred costs and expenditures related to the Project consistent with cost information submitted in the Application and an explanation of any variances from the Application.

(C) A summary of data or preliminary evaluation results, available to date, related to all outcomes described in Section 7419, subdivision (a)(3) and a description of any challenges in obtaining relevant data.

(D) A summary of other funding sources utilized for the Project.

(E) A description of remaining work to be completed for the Project and an estimated timeline or schedule for the completion of that work.

(F) A description of whether the Project is within the proposed budget and, if not, the reasons for any differences and the actions that will be taken to ensure that the Project has sufficient funding for completion.

(b) Grantee shall submit a completed Actual Expenditures Report Form No. CHFFA 9 CSI-03 (09/2018) accompanied by evidence of payment and documentation acceptable to the Authority sufficient to establish eligibility of costs incurred and expenditure of Grant funds such as executed purchase and sale agreement, proof of title, invoices and cancelled checks, proof of wire transfers, and receipts, as follows:

(1) Within 60 days of Project Completion and upon Authority's request.

(2) As required by Section 7425, subdivision (a)(4).

(3) If Grantee received advance disbursement of entire Grant amount, Grantee shall submit a completed Actual Expenditures Report Form No. CHFFA 9 CSI-03 (09/2018) within 45 days following the completion of the periods ending June 30 and December 31 of each year during the Grant Period, and upon the Authority's request.

(c) Grantee shall submit a completed Certificate of Completion and Final Report Form No. CHFFA 9 CSI-04 (09/2018), which is hereby incorporated by reference, and the following documentation, as applicable, within 60 days of Project completion:

(1) For all Projects:

(A) License and/or certification of Program(s), as applicable.

(B) Summary of sources and uses of funds that show that the Grant and any interest earnings on Grant funds did not exceed the cost of the Project.

(C) Project's outcomes described in Section 7419, subdivision (a)(3), as applicable to the Project, key milestones, and accomplishments.

(D) Actual Expenditure Report Form No. CHFFA 9 CSI-03 (09/2018) as required by subdivision (b) above, for all costs incurred and expenditures of Grant funds for which evidence of payment has not been submitted to and approved by the Authority.

(2) For Projects that include facility acquisition: Final closing statement with certification by the title company.

(3) For Projects that include building renovation: Certificate of occupancy.

(d) After submission of the Certificate of Completion and Final Report, Grantees shall submit annual reports to the Authority by September 30 each year for five years to report on Project key milestones, accomplishments, and outcomes, including a discussion of the populations being served.

(1) This report shall be certified by an authorized officer of the Grantee.

(2) Authority Staff may request additional annual reports after five years to continue tracking accomplishments, outcomes, and populations served to ensure Program operations and sustainability.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

Section 7429. Records Retention, Inspections and Audits.

(a) Grantees shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted.

(b) The Authority may perform site visits to inspect the Project and may inspect and/or audit Project records during the Grant Period and for three years after the certification of Project completion has been submitted. Instances include, but are not limited to, changes in the Project, challenges in Project implementation, and ensuring Project completion and Program sustainability.

Note: Authority cited: Section 5848.51, Welfare and Institutions Code. Reference: Section 5848.51, Welfare and Institutions Code.

ADOPT

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY



Community Services Infrastructure Grant Program Application

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Sacramento, California 95814
Phone: (916) 653-2799
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General Instructions

Please refer closely to the Community Services Infrastructure Grant Program regulations (California Code of Regulations Title 4, Division 10, Chapter 7) as you are completing this Application. The regulations, which can be found at <http://www.treasurer.ca.gov/chffa/csi/csigp.asp>, contain a great deal of essential information that is not repeated here including eligibility, instructions for submission of an Application, and maximum Grant amounts. All terms that are capitalized in this Application are defined in Section 7413 of the regulations.

We expect Applicants to adhere to the organization and sequencing of questions contained herein when completing an Application.

The narrative portion of the Application is limited to 20 pages in 12 point font such as Arial or Times New Roman with 1 inch margins. Required forms and attachments are not included in the page limit. Maximum font size does not apply to forms, graphs, or footnotes.

Please submit one Application per Project site.

COMMUNITY SERVICES INFRASTRUCTURE GRANT PROGRAM

Section-1: SUMMARY INFORMATION *Please type all responses.*

Total Requested Grant Amount: \$ _____ Date Submitted: _____

DESIGNATED LEAD GRANTEE

1. APPLICANT INFORMATION

NAME OF APPLICANT: (County)	ENTITY TYPE: (Department, Agency, etc.)
ADDRESS:	CITY, STATE AND ZIP:

CONTACT INFORMATION

FIRST AND LAST NAME:	TITLE:
ADDRESS:	CITY, STATE AND ZIP:
PHONE NUMBER:	FAX NUMBER:
EMAIL ADDRESS:	

Project Title:

Project Brief Summary Description (Limited to 20 words):

County(ies) to be served:

Please select all Programs to be funded through the Grant, and insert number of beds and/or Program service capacity to be added by the proposed Project:

<input type="checkbox"/> Mental Health Treatment	<input type="checkbox"/> Substance Use Disorder Treatment	<input type="checkbox"/> Trauma-Centered Services
_____ beds/service capacity	_____ beds/service capacity	_____ beds/service capacity

Purpose of Grant: *Check all applicable boxes*

<input type="checkbox"/> Facility acquisition	<input type="checkbox"/> Renovation	<input type="checkbox"/> Program startup or expansion costs
<input type="checkbox"/> Furnishings and/or Equipment	<input type="checkbox"/> Information technology	

Section-2: ADDITIONAL APPLICANTS AND SERVICE PROVIDERS Please fill out additional Applicants and service provider(s) contact information. *Please use space as needed. Copy page if more space is needed.*

1. CO-APPLICANT INFORMATION

NAME OF APPLICANT: (County)	ENTITY TYPE: (Department, Agency, etc.)
ADDRESS:	CITY, STATE AND ZIP:

CO-APPLICANT CONTACT INFORMATION

FIRST AND LAST NAME:	TITLE:
ADDRESS:	CITY, STATE AND ZIP:
PHONE NUMBER:	FAX NUMBER: EMAIL ADDRESS:

2. CO-APPLICANT INFORMATION

NAME OF APPLICANT: (County)	ENTITY TYPE: (Department, Agency, etc.)
ADDRESS:	CITY, STATE AND ZIP:

CO-APPLICANT CONTACT INFORMATION

FIRST AND LAST NAME:	TITLE:
ADDRESS:	CITY, STATE AND ZIP:
PHONE NUMBER:	FAX NUMBER: EMAIL ADDRESS:

Service Providers:

1. ORGANIZATION TO DELIVER SERVICES (IF KNOWN)

NAME OF ORGANIZATION:	ENTITY TYPE:
ADDRESS:	CITY, STATE AND ZIP:

CONTACT INFORMATION

FIRST AND LAST NAME:	TITLE:
PHONE NUMBER:	FAX NUMBER: EMAIL ADDRESS:

☐ YES ☐ NO ☐ N/A Currently licensed and/or certified by the applicable state authority and in substantial compliance.

2. ORGANIZATION TO DELIVER SERVICES (IF KNOWN)

NAME OF ORGANIZATION:	ENTITY TYPE:
ADDRESS:	CITY, STATE AND ZIP:

CONTACT INFORMATION

FIRST AND LAST NAME:	TITLE:
PHONE NUMBER:	FAX NUMBER: EMAIL ADDRESS:

☐ YES ☐ NO ☐ N/A Currently licensed and/or certified by the applicable state authority and in substantial compliance.

Section-3: SUMMARY OF FUNDING REQUESTED

ELIGIBLE COSTS	AMOUNT
Facility Acquisition	\$ 0.00
Renovation*	\$ 0.00
Furnishings and/or Equipment	\$ 0.00
Information Technology**	\$ 0.00
Program Startup or Expansion Costs (up to three months)	\$ 0.00
Total Requested Grant Amount	\$ 0.00

*Hardscaping and/or landacaping costs essential to the completion of the Project may not exceed 5% of total Grant award.

**Information Technology hardware and software costs may not exceed 3% of total Grant award except when approved by the Authority and only upon submission of justification in Application narrative (evaluation criteria 4(e)(i)) that the additional information technology costs are necessary for the Project to achieve the desired goals and outcomes set forth in Section 7419(a)(3) of the regulations.

Section-4: COUNTY GRANT AMOUNTS WORKSHEET

COUNTY GRANT AMOUNTS WORKSHEET	
Complete the worksheet below for each County listed as Lead Grantee and Co-Applicant(s) on Section-1 and Section-2.	
Applicants may apply for funding as set forth in Section 7418 of the regulations. Counties Applying Jointly, may at their discretion, apply for up to the sum of their respective maximum funding amounts, as applicable.	
COUNTY NAME	FUNDING REQUESTED
	\$ 0.00
	\$ 0.00
	\$ 0.00
	\$ 0.00
	\$ 0.00
	\$ 0.00
	\$ 0.00
	\$ 0.00
TOTALS	\$ 0.00

Section-5: SOURCES AND USES

Please include sources and uses to complete the entire Project.

Sources of Funds:

Total requested Grant amount	\$	0.00
Mental Health Services Act (MHSA) funds	\$	0.00
Realignment funds	\$	0.00
Medi-Cal, Federal Financial Participation	\$	0.00
Other sources, list (e.g., bank loan*, other grants)		
	\$	0.00
	\$	0.00
	\$	0.00
Total Sources	\$	0.00

If obtaining a bank loan, please name the bank and describe the length and rate of the loan.

Uses of Funds:

Facility acquisition	\$	0.00
Renovation**	\$	0.00
Furnishings and/or equipment	\$	0.00
Information technology hardware and software	\$	0.00
Program start up or expansion costs (3 months)	\$	0.00
Other costs:		
	\$	0.00
	\$	0.00
	\$	0.00
Total Uses (must equal Total Sources)	\$	0.00

****Grantees must comply with California's prevailing wage law under Labor Code section 1720, et seq. for public works projects. The Authority recommends Applicants consult with legal counsel.**



Evaluation Criteria

Applications shall be scored on the criteria set forth in Section 7419 of the regulations:

1. Project increases or expands access to and capacity for community mental health treatment, substance use disorder treatment, and/or trauma-centered services that offer relevant alternatives to incarceration. (Maximum 25 points)

- a. Describe the new or expanded Project(s) to be funded by the Grant and the services within the Project(s), including the Target Population(s) to be served. (Maximum 7 points)
- b. Describe the community need, including who does and does not receive services now, including demographics, and how the Project will be designed to reduce the need of mental health treatment, substance use disorder treatment, and/ or trauma-centered services in jails and/or prisons. Please include any available data that reflects community need. (Maximum 6 points)
- c. Quantify and describe how the Project will increase capacity for community based Jail Diversion Programs. (Maximum 6 points)
 - i. Identify the number of mental health treatment, substance use disorder treatment, and/or trauma-centered service beds or service capacity that will be added.
 - ii. How will the number added impact the Target Population(s) and translate into a number of additional individuals that may be served in the community?
- d. Describe existing or proposed Jail Diversion plan, including the intercepts (e.g., pre-arrest, pre-arrest, pre-arrest) at which Justice-Involved Individuals are diverted from jail and/or prison. (Maximum 6 points)

2. Application demonstrates a clear plan for a continuum of care for mental health treatment, substance use disorder treatment, and trauma-centered services; and for collaboration, integration, and linkage with law enforcement, judicial systems, public health systems, behavioral health services, and social services. (Maximum 15 points)

- a. Describe how the Project fits in with the continuum of care as it presently exists in the community. (Maximum 4 points)
 - i. Identify the shortcomings that exist within the continuum and supply any available data that may expand on or further identify the shortcomings.
 - ii. Identify how the Project will improve the existing continuum of care for Justice-Involved Individuals utilizing mental health treatment, substance use disorder treatment, and/or trauma-centered services.
- b. Describe how the Target Population(s) will be retained in treatment and the discharge plan from the Program(s), including the continuum of care that the Target Population(s) will receive once discharged from the Program(s). (Maximum 4 points)



- c. Describe the working relationships with Related Supports that already exist and/or those which will be established to enhance and expand community collaboration designed to maximize and expedite access to treatment and/or services for the purpose of diverting individuals with mental health disorders, individuals with substance use disorders, and/or victims of trauma arising from sex trafficking, domestic violence, and other violent crimes from jails and/or prisons, and improving wellness for those individuals. (Maximum 4 points)
- d. Provide supporting documentation in the form of letters or Memoranda of Understanding from Related Supports identifying the collaborative efforts amongst the agencies identified to expand treatment and/or services. (Maximum 3 points)
 - i. Counties Applying Jointly shall provide evidence, such as Memoranda of Understanding and/or interagency agreements, or a plan in place showing collaboration between counties for treatment and/or services for Justice-Involved Individuals across county lines.

3. Identifies key outcomes and a plan for measuring them. (Maximum 10 points)

- a. Provide a plan that includes methodology, timeline, and assignment of responsibility to measure and demonstrate outcomes of the Program, including the following:
 - i. Reduced number of individuals with mental health disorders, individuals with substance use disorders, and victims of trauma in jails and/or prisons; and reduced need for mental health treatment, substance use disorder treatment, and/or trauma-centered services in jails and/or prisons. (Maximum 2 points)
 - ii. Number and demographics of individuals within the Target Population(s) who utilize mental health treatment, substance use disorder treatment, and/or trauma-centered services. (Maximum 2 points)
 - iii. Number and demographics of individuals who complete treatment and/or services. (Maximum 2 points)
 - iv. Number and demographics of individuals who did not complete treatment and/or services and were returned to jail and/or prison. (Maximum 2 points)
 - v. Cost savings of the Program(s) compared to the cost of providing mental health treatment, substance use disorder treatment, and/or trauma-centered services in jails and/or prisons. (Maximum 2 points)



4. Project is Ready, Feasible, and Sustainable or will be Ready, Feasible, and Sustainable within 12 months of the approval of the Final Allocation. (Maximum 50 points)

READINESS

- a. Provide a detailed plan and timeline, including supporting documentation if available, with the steps needed to complete the Project as further delineated below and provide evidence demonstrating the ability to meet the criteria set forth in Section 7419(a)(4)(G) of the regulations. (Maximum 15 points)
 - i. Address of Project site, if available. If a Project site has not been identified, provide a description of the process, criteria for selection, and timeline for identification of a Project site that will be utilized. (Maximum 2 points)
 - ii. Renderings and/or floor plans of Project site, if available. (Maximum 2 points)
 - iii. Necessary approvals and processes to complete the Project, and the names and roles of all responsible entities. This includes, but is not limited to, County Board of Supervisors' approval, Requests for Proposals, architectural and construction contracts, California Environmental Quality Act (CEQA) compliance, building permits, conditional use permits, and Memoranda of Understanding/interagency agreements for Counties Applying Jointly, as applicable. (Maximum 3 points)
 - iv. Key milestones, in the future and completed to date, including projected or actual Project start date (i.e., date of purchase, renovation, or lease), Project end date (i.e., date of occupancy), and projected start date of services to the Target Population(s). (Maximum 3 points)
 - v. The plan and current status for staffing the Program(s). (Maximum 2 points)
 - vi. Potential challenges that may affect the timeline to start providing services and how those challenges will be mitigated, including but not limited to, site identification and acquisition, contracting, local use permit process, County Board of Supervisors' approval, CEQA process, Building Code compliance, selection of service provider, licensure, certification, loss of a site, delays in local (city and/or county) approvals, community opposition issues, loss or reduction in leveraged funding, and increased Project costs, as applicable. (Maximum 3 points)
- b. Describe and provide evidence of community outreach and engagement efforts for the proposed Program(s) in the vicinity of the planned Project site. Please provide the following: (Maximum 7 points)
 - i. A copy of the notice informing the public of the time and place of the meeting at which the planned Project will be discussed, and a copy of the agenda for the meeting, including evidence of time allocated for public discussion, and any other evidence of collaboration with the county agency that oversees community outreach efforts.
- c. Identify the service provider or describe the plan for identifying one, addressing the following: (Maximum 8 points)



- i. If a service provider that will operate the Program(s) has already been identified, provide a description of the written plans that are in place for how the treatment and/or services will be provided. These include:

1. Description of range of services offered.
2. Information about the service provider including expertise in mental health treatment, substance use disorder treatment, and trauma-centered services treatment; purpose; goals; and services of the organization. (Maximum 5 points)

OR

If a service provider has not been identified at the time the Application is submitted, provide a description of the process, criteria for selection, and timeline for identification of a service provider that will operate the Program(s). (Maximum 5 points)

- ii. If a service provider has been identified, provide evidence that the service provider has at least three years of experience working with the Target Population(s). (Maximum 3 points)
- d. Provide a detailed plan to support the certainty of Medi-Cal certification and/or certainty of state licensure/certification, if applicable. (Required, but no points awarded)

FEASIBILITY

- e. Provide a detailed Project budget, including "Summary of Funding Requested" (Section-3 on page 5) to identify the Project costs that are requested to be funded by CHFFA; "County Grant Amounts Worksheet" (Section-4 on page 5) to identify each county's proportion, if applicable; and "Sources and Uses" (Section-5 on page 6) to identify total Project costs and sources of funding to cover the Project costs. Also provide the following: (Maximum 10 points)
 - i. Proposed uses of Grant funds in line item detail with a budget narrative. If working capital for Program startup or expansion costs is being requested, include a separate line item budget detailing those costs. If information technology exceeds 3% of total Grant award, provide a justification that the additional costs are necessary for the Project to achieve the goals and outcomes set forth in Section 7419(a)(3) of the regulations.
 - ii. A description of any leveraged public and/or private funding other than the Grant that will be used to complete the proposed Project. Include the amount of funding and the current status of the funding. Attach documentation, if any, such as letters describing commitment of funding or the status of consideration from the other funding sources or other similar documentation acceptable to the Authority.
 - iii. An explanation of the Grantee's internal process to ensure the Grant funds will only be used for eligible costs as described in Section 7415 of the regulations.



SUSTAINABILITY

- f. Provide the following: (Maximum 10 points)
- i. An operating budget that details annual operating costs projected for the proposed Program(s).
 - ii. A description of new Program funding source(s) with amounts and cash flow projections and/or how existing funding will be redirected to provide ongoing support and sustainability for new and expanded services for the term of the useful life of the Project. Include estimated useful life of the Project.
 - iii. Documentation such as funding letters, minutes from the County Board of Supervisors meeting evidencing approval of the budget, or other documentation acceptable to the Authority. If approval has not been obtained at the time of Application, provide a detailed plan for obtaining such approval.

ATTACHMENT A

APPLICATION CERTIFICATION

Instructions: Please transfer the Application Certification language below onto official letterhead and have the appropriate official sign and date the certification.

Please have the county secretary sign this certification on behalf of the county board of supervisors or such other authorized county official.

If more than one county is applying, each county must submit an Application Certification to certify that all information in the joint Application is correct and true to the best of their knowledge and belief.

Application Certification:

I, (name of signatory), as (name of position), an authorized officer of (name of institution), certify that, to the best of my knowledge, the information contained in this application is true and correct to the best of my knowledge and belief, and I understand that any misrepresentation or material omissions may result in the cancellation of the Grant and other actions permitted by law and the Grant Agreement.

(Name of Institution) will cooperate in providing information and/or documentation, including at the time of site visits, to assist the Authority in consideration of the Application.

By (Print Name)

Signature

Title

Date

ATTACHMENT B

LEGAL STATUS QUESTIONNAIRE FOR COUNTIES

1. Financial Viability

Disclose material information relating to any legal or regulatory proceeding or investigation in which the applicant/borrower/project sponsor is or has been a party and which might have a material impact on the financial viability of the project or the applicant/borrower/project sponsor. Such disclosures should include any parent, subsidiary, or affiliate of the applicant/borrower/project sponsor that is involved in the management, operation, or development of the project.

Response:

2. Fraud, Corruption, or Serious Harm

Disclose any civil, criminal, or regulatory action in which the applicant/borrower/project sponsor, or any current board members (not including volunteer board members of non-profit entities), partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, matters related to employment conditions (including, but not limited to wage claims, discrimination, or harassment), or matters involving health and safety where there are allegations of serious harm to employees, the public or the environment.

Response:

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), complaint or filing, and the outcome.

ATTACHMENT C

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) REVIEW

Instructions: Please provide the following exhibit for each Project site. This can be completed within 12 months of award, if not available at time of Application.

Grantees must submit documentation demonstrating compliance with Division 13 commencing with Section 21000 of the Public Resources Code (CEQA Requirements) for construction Projects.

If the Project is subject to CEQA Requirements, provide the appropriate documentation or justification for each Project:

- ☐ Notice of Determination Received (Attach Copy)
- ☐ Notice of Exemption Received (Attach Copy)
- ☐ Other documents evidencing compliance (e.g. permits, local authority approval documents, printed authorizations, OSHPD Plan Review status, etc.)
- ☐ Project is considered a Special Situation (see Title 14 California Code of Regulations, Sections 15180-15190) (Provide written justification of compliance with applicable section.)

Name of approving Agency: _____

Date approval given: _____

If Project is not subject to CEQA Requirements, provide a written justification using one of the following categories:

- ☐ Is not a Project as defined by CEQA Requirements (see Title 14 California Code of Regulations, Section 15378)
- ☐ Project is Statutorily Exempt (see Title 14 California Code of Regulations, Sections 15260-15285)
- ☐ Project is Categorically Exempt (see Title 14 California Code of Regulations, Sections 15300-15333)

APPLICATION CHECKLIST

Make sure you have completed the following tasks:

- ☐ Used 12 point font such as Arial or Times New Roman in narrative sections (except footnotes and charts).
- ☐ Have 1 inch margins for narrative sections.
- ☐ Remained within 20 pages for the questions and answers to the narrative portion (Evaluation Criteria Narrative), identified in the Application.

Make sure you have submitted as part of the Application each of the following:

- ☐ Section-1 to Section-5
- ☐ Narrative for Criteria #1
- ☐ Criteria #2
 - ☐ Letters or Memoranda of Understanding from Related Supports as described in Criteria #2 (d) (required) and Criteria #2 (d) (i) (if applicable)
 - ☐ Narrative for Criteria #2
- ☐ Narrative for Criteria #3
- ☐ Criteria #4:
 - ☐ Renderings and/or floor plans of Project site as described in Criteria #4 (a) (ii)
 - ☐ Project renovation timeline with narrative as described in Criteria #4 (a) (iv) (if applicable)
 - ☐ Community outreach and engagement efforts as described in Criteria #4 (b) (i) or (ii)
 - ☐ Evidence that service provider has at least three years of experience working with the Target Population(s) as described in Criteria #4 (c) (ii)
 - ☐ Project budget with narrative as described in Criteria #4 (e) (i)-(iii)
 - ☐ Program operating budget with narrative as described in Criteria #4 (f)
 - ☐ Narrative for Criteria #4
- ☐ Attachment A - Application Certification Letter for all Applicants
- ☐ Attachment B - Legal Status Questionnaire for Counties
- ☐ Attachment C - California Environmental Quality Act (CEQA) Review for each project site (if applicable)

California Health Facilities Financing Authority ("CHFFA")
Community Services Infrastructure Grant Program

Request for Disbursement Form

Project Name or Description:

Lead Grantee:

Project Cost Categories

Total of Previous Disbursements

Disbursement Request

Facility acquisition:

Renovation:

Furnishings and/or equipment:

Information technology hardware and software:

Program startup or expansion costs:

Total - Previous Disbursements:

Documentation to Accompany Form:

Please attach and email a spreadsheet that summarizes all the included supporting documentation used to establish disbursement amount requested. Please follow formatting of Attachment 2.

TOTAL DISBURSEMENT REQUEST: \$

Has the scope or budget of the Project changed from the description in your Grant Agreement? YES or NO (circle one)
If yes, use Attachment 1 to request approval of and explain any line item changes needed.

I certify that to the best of my knowledge, the information contained in this form and the accompanying materials is true and accurate. I understand that misrepresentation may result in the cancellation of the grant and other actions which the Authority is authorized to take.

By (Print Name of Authorized Officer)

Title

Phone

Signature

Date

Email

Except for the initial submission of this form, please attach status report in accordance with Section 7425(a)(4) and 7428 in the regulations.

ADOPT

Request #:

Grant #:

Award Amount:

CHFFA Project Officer

Phone: (916)

E-Mail:

FOR CHFFA USE ONLY

Approved Disbursement

\$

\$

\$

\$

\$

\$

California Health Facilities Financing Authority ("CHFFA")
Community Services Infrastructure Grant Program

Grant #: _____
Date Submitted: _____

REQUEST FOR CHANGE

Lead Grantee: _____

1) Please detail the requested change or changes in the table below.

Line/Category	Approved Amount	Change Requested	Amount, if approved

2) Explain budget change requested above. Why is the change needed?

3) Does the change affect the scope of the project as shown in your grant agreement YES or NO (circle one)

If yes, please explain in detail.

SAMPLE SPREADSHEET

ATTACHMENT 2

California Health Facilities Financing Authority ("CHFFA") Community Services Infrastructure Grant Program

Lead
Grantee:

Grant #:

Date:

Project Cost Category	Payee	Description	Required for Disbursements		Required for Actual Verification						
			Purchase Order/Contract*		Invoice and Canceled Check/Proof of Wire Transfer						
			Number	Amount	Date	Invoice Number	Amount	Check Number	Amount		
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
Total Disbursements and Actuals			\$0.00		\$0.00						

*If you are requesting an advance, please indicate the contract/agreement number and the disbursement amount requested.

ADOPT

California Health Facilities Financing Authority ("CHFFA")
Community Services Infrastructure Grant Program
Actual Expenditures Report
SUMMARY SHEET

Report #: _____
Grant #: _____
Award Amount: _____

Project Name or Description: _____

CHFFA Project Officer _____

Phone: (916) _____

E-Mail: _____

Lead Grantee: _____

FOR CHFFA USE ONLY
Amount Verified as Eligible
\$ _____
\$ _____
\$ _____
\$ _____
\$ _____
\$ _____

Actual Expenditures

Project Cost Categories

Facility acquisition: \$ _____
Renovation: \$ _____
Furnishings and/or equipment: \$ _____
Information technology hardware and software: \$ _____
Program startup or expansion costs: \$ _____

TOTAL: \$ _____

Documentation to Accompany Form:
Please attach and email a spreadsheet that summarizes all the included supporting documentation provided. Please follow formatting of Attachment 1.

I certify that to the best of my knowledge, the information contained in this report and the accompanying material are true and accurate. I understand that misrepresentation may result in the cancellation of the Grant and other actions which the Authority is authorized to take.

By (Print Name of Authorized Officer) _____

Signature _____

Title _____

Date _____

Phone: _____

Email: _____

SAMPLE SPREADSHEET

ATTACHMENT 1

California Health Facilities Financing Authority ("CHFFA") Community Services Infrastructure Grant Program

Lead
Grantee:

Grant #:

Date:

Project Cost Category	Payee	Description	Required for Disbursements		Required for Actual Verification			
			Purchase Order/Contract*		Invoice and Canceled Check/Proof of Wire Transfer			
			Number	Amount	Date	Invoice Number	Check Number	Amount
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
Total Disbursements and Actuals			\$0.00		\$0.00			

*If you are requesting an advance, please indicate the contract/agreement number and the disbursement amount requested.

ADOPT

CERTIFICATE OF COMPLETION & FINAL REPORT
Community Services Infrastructure Grant Program

California Health Facilities Financing Authority (CHFFA)

Grantee:	
Grant Award #:	Grant Amount:
CHFFA Approval Date:	Grant Period End Date:
Project Address:	
Project Description:	

PART I: NARRATIVE

Please attach a narrative in response to the following questions.

1) Summary of Project Implementation

Please provide a summary of all activities completed in order to implement the Project.

2) Key Milestones

- a) When did the Project start?
- b) When was the Project completed, and when did Program services begin?
- c) What were the key milestones or notable events, including approvals, licensing and/or certification (if applicable)?
- d) What challenges, if any, were encountered during the implementation of the Program(s), and how were they overcome?

PART II: DOCUMENTATION

Please provide the following documents as applicable to your Project if they have not already been provided:

1. For all Projects: License and/or certification of Program(s), as applicable.
2. For Projects that include facility acquisition: Final closing statement with certification by the title company.
3. For Projects that include building renovation: Certificate of Occupancy.

PART III: PROGRAM OUTCOMES (IF AVAILABLE)

Please provide descriptions and data that demonstrate how the Program contributes to each of the following key outcomes:

- a) Reduced number of individuals with mental health disorders, individuals with substance use disorders, and who are victims of trauma in jails and/or prisons; and reduced need for mental health treatment, substance use disorder treatment, and/or trauma-centered services in jails and/or prisons.
- b) Number and demographics of individuals within the Target Population(s) (as defined in Section 7413 (z)) who utilize mental health treatment, substance use disorder treatment, and/or trauma-centered services.
- c) Number and demographics of individuals who complete treatment and/or services.
- d) Number and demographics of individuals who did not complete treatment and/or services and were returned to jail and/or prison.
- e) Cost savings of the Program(s) compared to the cost of providing mental health treatment, substance use disorder treatment, and/or trauma-centered services in jails and/or prisons.

LEFT BLANK INTENTIONALLY

PART III: ACTUAL PROJECT SOURCES & USES

Please provide a summary of actual sources and uses of the Project in the format provided below. Provide an "as of" date. Community Services Infrastructure Program grants cannot exceed the total cost of the Project. Total sources must equal total uses.

Sources of Funds – as of (date) _____:

CHFFA grant(s)	\$	_____
Mental Health Services Act (MHSA) funds	\$	_____
Realignment funds	\$	_____
Medi-Cal, Federal Financial Participation	\$	_____
Interest earnings from advanced funds	\$	_____
Other sources, list (e.g., bank loans, other grants)	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
Total Sources	\$	_____

Uses of Funds (from all sources) – as of (date) _____:

Facility acquisition	\$	_____
Renovation	\$	_____
Furnishings and/or equipment	\$	_____
Information technology hardware and software	\$	_____
Program startup or expansion costs	\$	_____
Other costs:	\$	_____
_____	\$	_____
_____	\$	_____
_____	\$	_____
Total Uses	\$	_____

PART IV: CERTIFICATION

I hereby certify that, to the best of my knowledge, all Grant funds were expended on the above named Project, the Project is complete, the Grant did not exceed the total Project costs, all interest earnings have been reported to CHFFA, and this report and all accompanying documents are true and correct. I understand that the Grant Agreement includes valid and binding obligations that extend beyond the term of the Grant.

Signature: _____

Date: _____

Name: _____

Title: _____

Additional Contact:

Name: _____

Title: _____

Email: _____

Phone: _____

FINDING OF EMERGENCY

The California Health Facilities Financing Authority (the "Authority" or "CHFFA") intends to implement these regulations on an emergency basis for the immediate preservation of the public peace, health, safety, or general welfare, within the meaning of Government Code Section 11346.1.

Government Code Section 11346.1(a)(2) requires that at least five working days prior to submission of the proposed emergency action to the Office of Administrative Law, the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. To this end, the Authority posts the proposed emergency regulations on its website and simultaneously disseminates notice of the proposed emergency action to all persons who have filed a request for notice.

After submission of the proposed emergency regulations to the Office of Administrative Law, the Office of Administrative Law shall allow interested persons five calendar days to submit comments on the proposed emergency regulations as set forth in Government Code Section 11349.6. To determine the Office of Administrative Law five-day comment period, please check <http://www.oal.ca.gov/> often.

DESCRIPTION OF SPECIFIC FACTS WHICH CONSTITUTE THE EMERGENCY

The legislature finds the following in Welfare and Institutions Code Section 5848.51 subdivisions (a)(1) through (a)(4):

"(1) Community alternatives should be expanded to reduce the need for mental health and substance use disorder treatment in jails and prisons." (Emphasis added)

"(2) The number of people with serious mental illnesses incarcerated in county jails and the state's prison system continues to rise." (Emphasis added)

"(3) A significant number of individuals with serious mental illness have a co-occurring substance use disorder."

"(4) The treatment and recovery of individuals with mental health disorders and substance use disorders are important for all levels of government, business, and the local community." (Emphasis added)

The Community Services Infrastructure Grant Program ("CSI Program") regulations provide grant funds to counties within California to operate jail diversion programs providing mental health treatment, substance use disorder treatment, and trauma-centered services.

According to the Mental Health Services Oversight & Accountability Commission's November 2017 report, entitled "Together We Can: Reducing Criminal Justice Involvement for People with Mental Illness," approximately 17 percent of those

incarcerated in local jails have a serious mental illness, a rate more than three times higher than the general population. According to a report released in January 2004 in the journal *Psychiatric Services*, entitled "Criminal History as a Prognostic Indicator in the Treatment of Homeless people with Severe Mental Illness," Justice-Involved Individuals who have a long-term history of incarceration have more severe mental illness, increased use of drugs and alcohol, and higher rates of individuals with both of these conditions than those with a short-term history of incarceration or those with no history of incarceration. This would suggest that if an individual has a mental illness or substance use disorder, their condition becomes exacerbated, not improved, the longer they stay in jail or prison.

According to an August 2016 report released by the Vera Institute of Justice and the Safety and Justice Challenge, entitled "Overlooked: Women and Jails in an Era of Reform," women who are victims of trauma, sexual violence, and have mental health issues represent the fastest growing demographic of those who are incarcerated in the United States, constituting a 14-fold increase from 1970 to 2014. According to the aforementioned report, 86 percent of women in jails reported experiencing sexual violence at some point in their life, roughly four times the rate of the female population in the United States.

Additionally, diversion of an individual with mental illness, substance use disorder, and/or who is a victim of trauma to a treatment program is less expensive than incarceration. According to a July 2014 report released by the American Civil Liberties Union of Southern California and the Bazelon Center for Mental Health Law, entitled "A Way Forward: Diverting People with Mental Illness from Inhumane and Expensive Jails into Community-Based Treatment that Works," the cost of jailing an individual with a mental illness in a Los Angeles County jail is approximately \$48,500 per year, when taking the cost of psychotropic medication and mental health treatment into account. The cost of placing a Justice-Involved Individual with a mental illness in supportive housing costs only \$20,412 per year, less than half the cost of incarceration.

Jails and prisons are not adequately equipped to support individuals with mental illness, substance use disorders, or who are victims of trauma, as providing this level of support is costly. The number of these individuals in jails and prisons continue to rise and have frequent contacts with the criminal justice system, which causes a strain on local resources, and the inability to place in jail or community based programs. The behavior of these individuals when not receiving appropriate treatments and/ or services can jeopardize public safety. Providing treatments and services in jail diversion programs for individuals with mental illness, individuals with substance use disorders, and victims of trauma has a profound impact on public peace, health, and safety of its citizens, and the general welfare not only of the citizens-at-large, but also individuals with mental illness, individuals with substance use disorders, and/or victims of trauma. An immediate action is needed to provide the needed resources to develop community-based jail diversion programs through the CSI Program.

Welfare and Institutions Code Section 5848.51, subdivision (j), states the following:

“The authority may adopt emergency regulations relating to the grants for the capital capacity and program expansion projects described in this section, including emergency regulations that define eligible costs and determine minimum and maximum grant amounts.”

The non-emergency, Regular Rulemaking Process for these regulations was not followed as the funding was not appropriated for the CSI Program until July 2017. Due to the specialized subject matter from the field of criminal justice, it was necessary to identify and obtain input from those with the necessary expertise to develop the regulations. The proposed regulations were presented to and approved by the Authority at the September 27, 2018 board meeting.

AB 97, the 2017-2018 budget bill, requires the Authority to award grants to the counties before June 30, 2020, and funds to be fully disbursed by June 30, 2022. The Regular Rulemaking Process would have taken a minimum of eight to nine months for completion. Using this timeline, the regulations would not have been effective until at least May 2019. Then, interested counties would submit their applications, a process that includes a review period by the Authority (The length of the review period is dependent on the number of applications received by the Authority). Once the grant funds are awarded, the counties would need to find/purchase a facility, renovate the facility, furnish and equip the facility as well as recruit and train staff, a process that takes approximately three years to complete. This process, in its entirety, would stretch beyond the June 30, 2022 disbursement deadline if these regulations were not approved on an emergency basis. This could have jeopardized the counties' ability to get the financial resources to develop programs to provide the essential treatments and services to Justice-Involved Individuals with mental illness, substance use disorders, and who are victims of trauma.

The filing of these regulations as “emergency” allowed the regulations to become effective in ample time for counties to review the Application requirements in order to submit Applications for funds during the first Funding Round, which closed on April 30, 2019.

REQUEST FOR READOPTION

As permitted in the Government Code, the Authority is readopting the emergency regulations to allow additional time to complete the regulatory process.

The emergency regulations will expire on May 29, 2019. There is a necessity to readopt the emergency regulations for an additional 90-day period in order to finalize the regular rulemaking process and submit the Certificate of Compliance to the Office of Administrative Law (“OAL”).

No changes are being made to the emergency regulations being submitted for readoption. The readoption of emergency regulations is necessary to ensure that

regulations for the CSI Program remain in effect should there be Subsequent Funding Rounds. These regulations are necessary in order that counties are apprised of the requirements to apply for Grant funds and for the Authority to award Grant funds.

INFORMATIVE DIGEST

The Authority was established in 1979 and operates pursuant to the California Health Facilities Financing Authority Act under Government Code Section 15430 et seq.

Senate Bill ("SB") 843, Section 52 (chaptered on June 27, 2016), codified in Welfare and Institutions Code Section 5848.51, charges the Authority with the responsibility of developing regulations to establish specific selection criteria for Grant awards, define eligible costs, and determine minimum and maximum grant amounts for the purpose of expanding access to jail and prison diversion programs and services for those with mental health illness, substance use disorders, and trauma resulting from sex trafficking, domestic violence, and other violent crimes; creating or expanding mental health treatment, substance use disorder treatment, and trauma-centered service facilities in local communities; and reducing the need of these treatments and services in jails and prisons.

SB 826, the 2016-2017 budget bill, appropriated \$67,500,000 from the General Fund; however, in January 2017, the Authority was notified that the proposed 2017-2018 budget recommended reverting the appropriated funds back to the General Fund. Due to the uncertainty of funding for the program, the development of the program was delayed. AB 97, the 2017-2018 budget approved in July 2017, reappropriated the funding.

Since July 2017, the Authority held several stakeholder meetings with judicial, law enforcement, county behavioral health directors, and national/ state/ county organizations and CHFFA's technical advisor, The California Institute for Behavioral Health Solutions in order to receive valuable input and feedback that were essential for the development of the program regulations - feedback particularly regarding the criminal justice system, which was a new subject matter to the Authority. In August 2018, the Authority hosted a webinar that sought feedback from about one hundred attendees regarding the draft regulations. The proposed regulations were presented to and approved by the Authority at the September 27, 2018 board meeting.

These regulations provide the framework for eligible parties to apply for grant funds to expand jail and prison diversion programs that provide mental health treatment, substance use disorder treatment, and trauma-centered services throughout California. The regulations include relevant definitions; descriptions of eligible applicants, projects, and costs; maximum grant amounts by county; the application process; the evaluation criteria the Authority will use to make grant award determinations; the process by which allocations will be made; the terms and conditions grant recipients will need to agree to; and other provisions related to the administration of the CSI Program.

The Authority anticipates these proposed regulations will benefit Justice-Involved Individuals with mental health illness; substance use disorders; and who are victims of trauma resulting from sex trafficking, domestic violence, and other violent crimes through the awarding of Grant funds for the specific purpose of diverting Justice-Involved Individuals from jails and prisons. These proposed regulations are compatible and consistent with the intent of the Legislature in adopting Welfare and Institutions Code Section 5848.51.

UPDATED INFORMATIVE DIGEST

As required, the emergency regulations for the CSI Program were posted on the CHFFA website, informing the public of the intent to submit the aforementioned regulations to OAL for review and approval of the emergency regulations. This notice of intent was also sent to any individuals on the listserv (the mechanism by which individuals request notification of any proposed regulations and other information requiring public notification such as Authority board meeting dates and agendas). The emergency regulations were approved by OAL with an effective date of November 26, 2018, and expiring on May 29, 2019.

The first Funding Round opened on November 30, 2018, and Applications for Grant funds were accepted until 5:00 p.m. (PST) on April 30, 2019. Authority Staff held a webinar for counties and other interested participants on December 13, 2018 to give an overview of the Application process and to provide assistance to counties that were planning to complete an Application.

The regulations and necessary documents for the Certificate of Compliance action were submitted to OAL on February 26, 2019, with a request for Publication on March 8, 2019. The public was notified via the listserv that the Authority proposed to adopt the CSI Program regulations and that written comments may be submitted to the Authority until 5:00 p.m. (PST) on April 22, 2019. The Authority plans to submit regulations and necessary documents for the Certificate of Compliance, and needs the additional 90 days that would be provided through the readopt to allow the Authority the time necessary to complete the process to obtain the Certificate of Compliance.

DOCUMENTS INCORPORATED BY REFERENCE

Community Services Infrastructure Grant Program Application Form No. CHFFA 9 CSI-01 (09/2018)

Request for Disbursement Form No. CHFFA 9 CSI-02 (09/2018)

Actual Expenditures Report Form No. CHFFA 9 CSI-03 (09/2018)

Certificate of Completion and Final Report Form No. CHFFA 9 CSI-04 (09/2018)

STATEMENT OF NECESSITY:

Section 7413, Definitions. This section clarifies and makes specific terms used throughout the regulations that do not follow standard dictionary definitions.

Section 7413, Definitions – subdivision (g). “Feasible” is defined as the definition contained in the regulations goes beyond the dictionary definition of this term. This ensures that all users of the regulations understand that “Feasible” for purposes of these regulations includes securing of the funding necessary for the Project, the development of a detailed plan that includes the steps necessary to complete the Project (approvals, architectural plans, if necessary, etc.) and provision of the services appropriate for the specific Program(s).

Section 7413, Definitions – subdivision (p). “Jail Diversion” is necessary because Applicants need to know, for the purpose of applying for Grant funds, what “Jail Diversion” is, and the standard definition of “Jail Diversion” is not specific enough for the CSI Program.

Section 7413, Definitions – subdivision (r). “Justice-Involved Individual” is necessary to clarify the Target Population as defined in Section 7413, subdivision (y), and the standard definition of “Justice-Involved Individual” is not specific enough for the CSI Program.

Section 7413, Definitions – subdivision (u). “Ready” is defined to ensure that users of the regulations understand that for the purposes of these regulations, “Ready” includes the necessary approvals and documents for the Project to begin. The term “Ready” is used in Section 7419, the Evaluation Criteria section, wherein examples are provided of activities that may affect the timeline (local use permit process, Board of Supervisors’ approval, Building Code compliance, etc.) as well as specifying a timeframe in which specific activities shall be accomplished.

Section 7413, Definitions – subdivision (x). “Sustainable” is defined to inform users of the regulations that for the purpose of the CSI Program, “Sustainable” includes the funding and operation for the useful life of the Project. The “useful life of the Project” is a variable, depending on the Project; e.g., the useful life of a renovation Project will be longer than that of equipment purchased with Grant funds.

Section 7414, Eligibility. It is necessary to include to ensure that any potential applicants are aware of whether they are eligible to apply for the CSI Program and this section implements, interprets, and makes specific Welfare and Institutions Code 5848.51, subdivision (d), which states which entities are eligible to apply. The Authority did not include the term “city or county” from the Welfare and Institutions Code 5848.51, subdivision (d) under this section because this term refers to San Francisco which is a county and city, and San Francisco is eligible to apply as a county. Additionally, by not including the term “city or county”, the Authority prevents confusion on the part of other California cities that may think that they are eligible to apply.

Section 7415, Eligible Project Costs. It is necessary to include to ensure that potential Applicants are aware of which costs can be covered through the CSI Program. This section duplicates Welfare and Institutions Code Section 5848.51 to provide clarity for the Applicant when reading these regulations.

Section 7415, Eligible Project Costs – subdivision (a)(2)(E). Hardscaping and/or landscaping costs are included as eligible project costs. The inclusion of these items acknowledges these as eligible costs but also stipulates that these costs shall not exceed 5% of the total Grant award. It is necessary to provide funds for hardscaping and landscaping costs as these facilities will be located in communities. Therefore, it is necessary that the appearance of the facility is integrated into the community, thus avoiding the stigma of a “facility.” The limitation of 5% for hardscaping and landscaping was determined by averaging amounts requested for hardscaping and landscaping costs by eligible applicants for projects in similar grant programs. Additionally, stakeholders supported the recommended limitation.

Section 7415, Eligible Project Costs – subdivision (a)(4). Information technology, while not specifically mentioned in Welfare and Institutions Code Section 5848.51, could be construed as equipment, which is an eligible cost as determined by Welfare and Institutions Code Section 5848.51, subdivision (c). Information technology is in its own category because of the special requirements set forth in this subdivision, such as the eligible cost being capped at 3% of total Project costs, unless justified to Authority staff. The limitation of 3% for information technology costs was determined through feedback from stakeholder meetings and webinars. Additionally, limiting the costs ensures that the intent of the Welfare and Institutions Code Section 5848.51 is met in developing facilities rather than information technology projects.

Section 7416, Grant Application. This section provides information regarding how a Grant Application is to be submitted to the Authority and will ensure Applications are complete and consistent in how they are prepared and submitted.

Section 7417, Funding Rounds and Application Deadlines. This section provides clarity as to when applications will be posted on the Authority's website and when applications will be due to the Authority. By providing this information, the Authority can ensure that applications are received in a timely manner.

Section 7418, Maximum Grant Amounts. It is necessary to include to ensure that potential applicants are aware of the amount of funding that will be available to them during each Funding Round.

Section 7418, Maximum Grant Amounts – subdivisions (a)(1) through (a)(5). These subdivisions provide Counties and Counties Applying Jointly with the maximum amounts of Grant funds that shall be applied for based on County population. It is necessary to set maximum Grant amounts for each county in order to equitably allocate Grant monies to counties and to promote competition amongst similarly sized counties, as well as collaboration amongst counties. Maximum Grant amounts are based on

population projections from the California Department of Finance and the reasonable costs involved to create or to expand the Programs to be funded by a Grant.

Section 7419, Evaluation Criteria. It is necessary to include Application evaluation criteria in order to ensure that Applicants are aware of the Application requirements and the scoring amounts the Authority will be utilizing when reviewing the Applications. This section duplicates Welfare and Institutions Code Section 5848.51 to provide clarity for the Applicant when reading these regulations.

Section 7419, Evaluation Criteria – subdivision (a)(1). To meet the intent of Welfare and Institutions Code Section 5848.51, subdivision (b), this subdivision is needed so that Applicants know that they must demonstrate how Program(s) will expand capacity so more qualified Justice-Involved Individuals can be diverted from jails/prisons into mental health treatment, substance use disorder treatment, and trauma-related services, and that the Applicants know that they will be scored as to how well they meet this criteria.

Section 7419, Evaluation Criteria – subdivision (a)(2). This subdivision is needed so that Applicants know that they must demonstrate a continuum of care for diverted Justice-Involved Individuals from the point of entry into the Program to linkage for services after completing the Program, and that the Applicants know that they will be scored as to how well they meet this criteria. Memoranda of Understanding among project partners will show the partnership and their perspective roles in the continuum of care. This evaluation criteria meets the intent of the Welfare and Institutions Code Section 5848.51, subdivision (e).

Section 7419, Evaluation Criteria – subdivision (a)(3). To meet the intent of the Welfare and Institutions Code Section 5848.51, subdivision (e)(9), this subdivision is needed so that Applicants know that they describe how they will collect and measure the key outcomes described in this Evaluation Criteria and that the Applicants know that they will be scored as to how well they meet this criteria. The key outcomes collected may be submitted to the Authority as part of the Program's annual reports.

Section 7419, Evaluation Criteria – subdivision (a)(4). This subdivision is necessary because a Project is more likely to be completed if the Project is determined to be Ready, Feasible, and Sustainable at the time of Application submission or within 12 months of Final Allocation. This subdivision is needed so that Applicants know how to meet the Readiness, Feasibility, and Sustainability requirements, and that the Applicants know that they will be scored as to how well they meet this criteria. This ensures that there will be enough time for Grantees to request disbursement of Grant funds before the deadline of June 30, 2022 for all Grant funds to be disbursed.

Section 7419, Evaluation Criteria – subdivision (a)(4)(B). Describing community outreach and engagement efforts for the proposed Program(s) in the Application is necessary to show that the community is made aware that Jail Diversion Programs may be entering into their neighborhood or close to their place of business and allow them the opportunity to learn more about the Program and express opposition or support.

This subdivision is needed so that Applicants know what they will be required to address as a condition of being determined ready to receive grant funds.

Section 7420, Initial Allocation. Is necessary to inform the Applicant of how applications will be reviewed and scored and that they will receive notification of Authority Staff's recommendation of Final Allocation.

Section 7420, Initial Allocation – subdivision (e). Counties and Counties Applying Jointly are notified of minimum scores that must be attained in the Evaluation Section of the Application in order to be considered for a Grant. In addition to attaining an overall score of 60 points under Evaluation Criteria 7419, Applicants are required to score a minimum of 35 points in the Evaluation Criteria section specific to the Readiness, Feasibility, and Sustainability. The Authority must exhibit due diligence for the Grants awarded. If a Project cannot exhibit Readiness, Feasibility, and Sustainability, the request for Grant funds shall be denied and awarded to an entity that can demonstrate its ability to complete the project within the time frame allotted as well as the feasibility of the Project and the ability to sustain the Program.

Section 7421, Appeals – subdivision (a), (b), (c). This section informs Applicants of the right to appeal the Initial Allocation recommended by the Authority staff. In the case of Counties Applying Jointly, it is the Lead Grantee that may appeal the Initial Allocation. Applicants are apprised of the timing for such appeals. The timing for appeals is five calendar days following the date of the notification of the Initial Allocation. If the appeal is not made within this timeframe, the Executive Director is not obligated to review and render a decision based on the appeal.

Section 7422, Final Allocation. This section informs the Applicant that final Grant Awards will be determined by the Authority during a public meeting and what to expect in the Grant Award Letter that will be mailed following the public meeting.

Section 7423, Use of the Grant. This section is necessary to inform the Grantee of how Grant funds are to be utilized, that the Grantee may request changes to the Grant budget, and that all assets purchased with Grant funds need to be maintained and used for the purpose of the Program for the useful life of the asset. These requirements are to ensure that Grant funds are used for the intent of Welfare and Institutions Code Section 5848.51

Section 7423, Use of the Grant – subdivision (b). This section informs the Applicant that Grant funds may supplement but not supplant existing financial or resource commitments. This section duplicates Welfare and Institutions Code Section 5848.51 to provide clarity for the Applicant when reading these regulations.

Section 7423, Use of the Grant – subdivision (d). The Grantee is notified that a County or Counties Applying Jointly that has received Grant funds shall not make changes to the uses of the Grant funds without making a request to the Authority for the change and receiving written approval from the Authority for the change.

Section 7424, Grant Agreement. This section provides a description of the terms and conditions within the Grant Agreement.

Section 7425, Release of Funds. This section outlines the documentation and requirements that shall be met before funds can be released to the Grantee. The documentation provides proof of compliance in the Project meeting the requirements that the Project be Ready, Feasible, and Sustainable within 12 months of Final Allocation, and that all anticipated expenses are eligible costs.

Section 7426, Requirements for Renovation Projects on Leased Property. This section details the terms and conditions that need to be in the lease agreement. The required terms and conditions are to ensure that the property will be utilized for the useful life of the Project.

Section 7426, Requirements for Renovation Projects on Leased Property – subdivision (a)(6). This section informs that a letter from the Grantee's legal counsel, or an authorized officer of the Grantee, certifying that the lease agreement conforms to Section 7426, subdivisions (a)(1) through (a)(5) is submitted to the Authority staff that includes a statement of the projected useful life of the Project. If the letter is signed by an authorized officer of the Grantee then the letter should include a statement that the Grantee's legal counsel has been consulted. This requirement is to ensure that the lease agreements conform to the requirements as specified in Section 7426, subdivisions (a)(1) through (a)(5). It is the responsibility of the Grantee to comply with all regulatory requirements. Therefore, by requiring legal review of the lease, the Authority has the assurance that the lease agreement stipulations are met. The Authority shall do a cursory review of the lease agreement, but the responsibility for compliance rests with the Grantee.

Section 7427, Recovery of Funds for Non-Performance and Unused Grant Funds; Remedies. This section is included to ensure that the Grantee is aware of any remedies that the Authority may take if the Grantee, for any reason, does not comply with the terms of the Grant.

Section 7428, Reporting Requirements. This section is necessary so the Grantee is aware of the various reports that shall be submitted to the Authority during the Grant Period and after the Program is operational.

Section 7429, Records, Retention, Inspections and Audits. This sections informs the Grantee that they must maintain specific documentation for three years after the project is completed, and that the Authority may conduct site visits during the Grant Period and up to three years after the completion of the Project.

DESCRIPTION OF THE BENEFITS OF THE PROPOSED ACTION, WHICH INCLUDES NONMONETARY BENEFITS SUCH AS PROTECTION OF THE PUBLIC HEALTH AND SAFETY, WORKER SAFETY, THE ENVIRONMENT, ETC.

These regulations will directly benefit California counties that provide jail and prison diversion treatment and services to Justice-Involved Individuals with mental illness, substance use disorder, and/or who are victims of trauma. These regulations provide the mechanism to fund equipment and capital projects of the facilities that house these programs. The mental health condition of these individuals could potentially improve as a result of this treatment, thus improving the health and safety of these individuals.

AN EVALUATION OF WHETHER OR NOT THE PROPOSED REGULATIONS ARE INCONSISTENT OR INCOMPATIBLE WITH EXISTING STATE REGULATIONS

The Authority evaluated whether or not there were any other regulations concerning the awarding of grants to the California counties to implement SB 843, Section 52 (2016) and has found that these are the only regulations in this area. Therefore, the proposed regulatory amendments are neither inconsistent nor incompatible with existing state regulations.

COST ESTIMATE

1. Cost or Savings to State Agencies: No fiscal impact exists. These regulations do not affect any State agency or program. AB 97, the 2017-2018 budget bill, appropriated \$67,500,000 from the General Fund, which includes \$1,687,000 for the Authority's administrative costs, for the Community Services Infrastructure Grant Program.
2. Cost to Local Agencies or School Districts Which Must Be Reimbursed in Accordance with Government Code Sections 17500-17630: None
3. Nondiscretionary Costs or Savings to Local Agencies: No fiscal impact exists.
4. Cost Impact: Cost or Savings in Federal Funding to State Agencies: No fiscal impact exists.

COST IMPACTS ON REPRESENTATIVE PERSON OR BUSINESS

The only entities that may apply for Grant funds under the Community Services Infrastructure Grant Program are counties. Therefore, CHFFA is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

BUSINESS REPORT

The proposed regulations do not require any reports to be made by any business or other entity.

SMALL BUSINESS

The proposed regulations will not affect small businesses because these regulations are specific to and affect only counties in California (Welfare and Institutions Code Section 5848.51).

ALTERNATIVES INFORMATION

In developing this regulatory action, CHFFA did not consider any alternatives because no reasonable alternatives were presented for review.

CHFFA must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CHFFA would be more effective in carrying out the purpose for which the emergency regulations are proposed or would be as effective as and less burdensome to the affected entities than the proposed action, or would be more cost-effective to potentially affected private persons and equally effective in implementing the statutory policy or other provision of law.

LOCAL MANDATE STATEMENT

These regulations do not impose a mandate upon local agencies. There are no "state mandated local costs" in these regulations which require state reimbursement under Section 17500 of the Government Code.

FISCAL IMPACT

These regulations do not impose any costs to any local agency or school districts requiring reimbursement pursuant to section 17500 et seq. of the Government Code, nor do these regulations identify any costs or savings to any state agency, other nondiscretionary costs or savings to be imposed upon local agencies, or costs or savings in federal funding to the state.

SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS, INCLUDING ABILITY TO COMPETE

CHFFA has not identified any significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

RESULTS OF THE ECONOMIC IMPACT ASSESSMENT

The adoption of these regulations will not have an impact on the creation or elimination of jobs within the state. As a result of the adoption of these regulations, new businesses will not be created and current businesses will not be eliminated within the state. The adoption of these regulations will not provide for the expansion of businesses currently doing business within the state. Additionally, neither benefits nor detriments are expected to worker safety or the state's environment due to the adoption of these regulations.

AUTHORITY AND REFERENCE CITATIONS

The Authority adopts these regulations under the authority granted in Welfare and Institutions Code Section 5848.51, and cites the following reference: Welfare and Institutions Code Section 5858.51.

TECHNICAL, THEORETICAL, AND EMPIRICAL STUDY, REPORT OR SIMILAR DOCUMENTS ON WHICH THE AGENCY RELIES

The Authority relied on the following reports in the development of the Description of Specific Facts Which Constitute the Emergency section of the Finding of Emergency:

Mental Health Services Oversight & Accountability Commission's November 2017 report, entitled "Together We Can: Reducing Criminal Justice Involvement for People with Mental Illness"

Psychiatric Services' January 2004 report, entitled "Criminal History as a Prognostic Indicator in the Treatment of Homeless people with Severe Mental Illness"

Vera Institute of Justice and the Safety and Justice Challenge's August 2016 report, entitled "Overlooked: Women and Jails in an Era of Reform"

American Civil Liberties Union of Southern California and the Bazelon Center for Mental Health Law's July 2014 report, entitled "A Way Forward: Diverting People with Mental Illness from Inhumane and Expensive Jails into Community-Based Treatment that Works"