



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.
Director
ROBIN KAY, Ph.D.,
Chief Deputy Director
RODERICK SHANER, M.D.
Medical Director

November 12, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

18 November 12, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**APPROVAL TO ACCEPT AN INVESTMENT IN MENTAL HEALTH WELLNESS ACT OF 2013
GRANT AWARD FROM THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY AND
TO ENTER INTO A GRANT AGREEMENT WITH THE CALIFORNIA HEALTH FACILITIES
FINANCING AUTHORITY; APPROVAL OF AN APPROPRIATION ADJUSTMENT AND
ALLOCATION OF ITEMS
(ALL SUPERVISORIAL DISTRICTS)
(4 VOTES)**

SUBJECT

Request adoption of a resolution approving the acceptance of a Senate Bill (SB) 82 Investment in Mental Health Wellness Act of 2013 grant award from the California Health Facilities Financing Authority (CHFFA) and to enter into a grant agreement with CHFFA; also request approval of an appropriation adjustment and to allocate and fill 19 full-time equivalent items.

IT IS RECOMMENDED THAT THE BOARD:

1. Adopt and instruct the Chair to execute the attached resolution (Attachment I) approving the California Health Facilities Financing Authority (CHFFA) Investment in Mental Health Wellness Grant Program Grant Agreement Number LA-01 (Attachment II) for the grant period beginning April 24, 2014 and ending April 24, 2016, to accept SB 82 Investment in Mental Health Wellness Act of 2013 grant award in the amount of \$40,892,700 from CHFFA to fund capital projects associated with the expansion and implementation of Urgent Care Centers (UCCs), Crisis Residential Treatment Programs, and Mobile Crisis Support Teams countywide.
2. Authorize the Director of Mental Health, or his designee, to execute two copies of the California Health Facilities Financing Authority Investment in Mental Health Wellness Grant Program Grant

Agreement Number LA-01 ("Grant Agreement") (Attachment II) and forward them to CHFFA for execution. The Grant Agreement shall be effective, upon CHFFA's signing of the Grant Agreement.

3. Delegate authority to the Director, or his designee, to: (1) execute amendments to the Grant Agreement that extend the term of the Grant Agreement, allow for the receipt of additional SB 82 CHFFA grant funds, allow for the rollover of unspent funds, allow for the redirection of grant funds among the categories of SB 82 CHFFA grant services; and/or are necessary to implement any required program and/or policy changes, subject to the review and approval by County Counsel and notification to your Board and the Chief Executive Officer (CEO) at least ten days in advance of the execution of any such amendment; (2) renew any substantially similar CHFFA Grant Agreement for additional SB 82 CHFFA grant awards in subsequent fiscal years, upon review and approval by County Counsel and notification to your Board and the Chief Executive Officer (CEO) at least ten days in advance of the execution of any such amendment; (3) accept additional SB 82 CHFFA grant funding upon notification to your Board and the Chief Executive Officer (CEO) at least ten days in advance of the acceptance of such grant award.

4. Delegate authority to the Director, or his designee, to prepare, sign and execute Memoranda of Understanding (MOU) with local law enforcement agencies for the provision and expansion of Law Enforcement Teams outlining the roles and responsibilities of DMH and the law enforcement agency, including allowing for mutual indemnification, subject to review and approval by County Counsel and notification to your Board within 30 days of execution of any such MOU. There is no funding attached to these MOU.

5. Approve the Request for an Appropriation Adjustment (Attachment III) for Fiscal Year (FY)2014-15 in the total amount of \$20,120,000, to increase Salaries and Employee Benefits (S&EB) in the amount of \$1,571,000, Services and Supplies (S&S) in the amount of \$18,414,000, and Capital Assets in the amount of \$135,000 to provide spending authority for capital projects and to expand and implement UCCs, Crisis Residential Treatment Programs, and Mobile Crisis Support Teams countywide. The Appropriation Adjustment is fully funded with the SB 82 CHFFA grant award, State Mental Health Services Act (MHSA) revenue, Federal Financial Participation (FFP) Medi-Cal, and the shift of appropriation from Other Charges.

6. Authorize DMH to fill 19 full-time equivalent (FTE) ordinance positions as detailed in Attachment IV, pursuant to Section 6.06.020 of the County Code and subject to allocation by the CEO.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Adoption of the resolution and Board approval of recommended actions Nos. 2 through 5 will allow the Department of Mental Health (DMH) to accept the CHFFA grant award totaling \$40,892,700, and execute the Agreement (Attachment II) for the expansion of crisis support services countywide. The funds may be used to purchase or lease land and buildings; to construct or renovate buildings; to furnish and equip buildings; to purchase vehicles and information technology equipment; to pay for three months of program startup/expansion costs; and to hire new personnel associated with the expansion and implementation of UCCs, Crisis Residential Treatment Programs, and Mobile Crisis Support Teams. This will increase the County's capacity for client assistance and services in crisis intervention, crisis stabilization, crisis residential treatment, and mobile crisis support teams. Increasing access to effective community-based crisis treatment provides an opportunity to reduce costs associated with expensive inpatient and emergency room care, mitigate the costs of unnecessary law enforcement contacts, and better meet the needs of individuals experiencing a

mental health crisis in the least restrictive manner possible.

DMH will return to your Board for the approval of the contracted capital development projects for the UCCs and Crisis Residential Treatment Programs following the completion of its solicitation process.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Strategic Plan Goal 1, Operational Effectiveness/ Fiscal Sustainability and Goal 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

The Agreement will provide DMH with SB 82 CHFFA grant funding in the amount of \$40,892,700, to expand and implement UCC programs in the amount of \$4,210,526, Crisis Residential Treatment Programs in the amount of \$35,000,000, and Mobile Crisis Support Teams in the amount of \$1,682,174. The grant funds may be used to purchase or lease land and buildings; construct or renovate buildings; furnish and equip buildings; purchase vehicles and information technology equipment; pay for three months of program startup/expansion costs; and hire new personnel associated with the expansion and implementation of UCCs, Crisis Residential Treatment Programs, and Mobile Crisis Support Teams.

The estimated costs for full implementation of the three UCC programs, 35 Crisis Residential Treatment Programs, and 14 Mobile Response Teams is \$109,390,151, fully funded by the SB 82 CHFFA grant, State MHSA, FFP Medi-Cal, and Assembly Bill 109 (AB 109) funds.

The Appropriation Adjustment (Attachment III) for FY 2014-15 in the total amount of \$20,120,000 to increase S&EB in the amount of \$1,571,000, S&S in the amount of \$18,414,000, and Capital Assets in the amount of \$135,000 will provide spending authority to expand and implement approximately two UCCs, six Crisis Residential Treatment Programs, and 14 Mobile Crisis Support Teams countywide for individuals with mental health disorders who require community-based crisis services.

The Appropriation Adjustment is fully funded with the SB 82 CHFFA grant award, \$9,710,000; MHSA revenue in Committed for Budget Uncertainties, \$4,656,000; FFP Medi-Cal, \$5,529,000; and the shift of appropriation from Other Charges, \$225,000.

Funding for future fiscal years will be included in DMH's annual budget request process.

There is no net County cost impact associated with the recommended action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The grant award in the amount of \$40,892,700 is the result of a successful application for funding made available through the Investment in Mental Health Wellness Act of 2013. On April 30, 2014, CHFFA notified DMH of the final allocation grant award and, subsequently, provided DMH the Grant Agreement (Attachment II) for acceptance and execution. The Grant Agreement includes provisions to expand and implement the following programs:

Crisis Stabilization Program

DMH currently operates one UCC and contracts with two private mental health providers for UCC

services throughout the County. DMH intends to use the grant funding to expand capacity by implementing three additional UCCs, each with 12 adult and six adolescent beds and the capacity to treat up to 45 individuals per day.

The proposed UCCs will be Lanterman-Petris-Short (LPS) designated and provide crisis intervention and stabilization services 24 hours per day, 7 days per week, including integrated services for co-occurring substance abuse disorders, for individuals 13 years and older who would otherwise be taken to emergency rooms or incarcerated.

Crisis Residential Treatment Program

Crisis Residential Treatment Programs are intended to prevent hospitalization or incarceration and/or reduce hospital stays for individuals who can be treated in this most intensive level of residential services. DMH currently contracts with three such programs and plans to implement up to 35 additional programs throughout the County, utilizing an acute diversion model and an average length of stay of 10 to 14 days, with up to 16 residents at each facility, for a total of approximately 560 new beds. These programs will serve adults with mental illness in psychiatric crisis, including those with co-occurring substance abuse disorders.

Mobile Crisis Support Teams

DMH plans to expand Law Enforcement Teams (LET) and Psychiatric Mobile Response Teams (PMRT) that provide field-based crisis intervention services to children, adolescents, transitional age youth, and adults throughout the County. Both programs serve to decrease the need for inpatient psychiatric hospitalization by providing immediate field-based services.

The planned expansion will provide four additional PMRT personnel for existing programs and 11 personnel for new or expanded partnerships with law enforcement agencies that are interested in establishing a partnership with DMH. Grant funding will also be utilized to purchase five vehicles for the additional personnel. Two vehicles will be purchased for the LETs and three will be purchased for PMRTs.

The LET model partners one licensed DMH mental health clinician with a law enforcement officer to respond to 911 calls or patrol car requests for assistance involving persons suspected of having a mental disorder. These teams serve various municipalities and provide crisis intervention, de-escalate potentially violent interactions between clients, family members and police, make appropriate referrals to community agencies, and/or facilitate hospitalization. MOUs will be established with those partnering law enforcement agencies outlining the parameters and purpose of the partnership. The MOUs will set forth the rolls and responsibilities of each party and address the provision of office space, transportation, access to police facilities, confidentiality and sharing of information, and indemnification, including agreements for mutual indemnification.

The PMRT pairs two licensed, LPS-designated mental health clinicians to respond to non-911, but urgent, community calls concerning persons of all ages with various acute mental health issues. Teams are DMH-operated, work in each Service Area, and have legal authority, per Welfare and Institutions Code Sections 5150 and 5585 (for minors), to initiate applications for involuntary detention and treatment for individuals determined to be dangerous to themselves or others or who are gravely disabled, i.e., unable to provide food, clothing, or shelter as a result of a mental disorder.

In addition, DMH is requesting four administrative items for the Countywide Resource Management

Division critical to the planning, development, implementation and management of UCCs and Crisis Residential Treatment Programs countywide. These staff will collaborate with the Emergency Outreach Bureau on the expansion of Law Enforcement Teams and PMRT.

The terms of the Grant Agreement have been dictated by CHFFA and require, among other things, that the County agree to indemnify CHFFA and the State against any liabilities related to this grant or any of the grant projects and to waive all claims against CHFFA. County Counsel has reviewed and approved the Grant Agreement as to form.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Acceptance of the CHFFA grant and approval of the Grant Agreement for the expansion of UCCs, Crisis Residential Treatment Programs, and Mobile Crisis Support Teams will enable DMH to expand crisis services across the County. In addition, the funding for these programs will aid County efforts to decompress psychiatric emergency services, reduce unnecessary hospitalizations and inpatient days, and mitigate unnecessary expenditures of local law enforcement by expanding community-based crisis response services and improving access to timely assistance.

CONCLUSION

Adoption of the resolution will enable DMH to accept the CHFFA grant award totaling \$40,892,700, and execute the Agreement for the expansion of crisis support services countywide.

DMH will need one original executed resolution which will be submitted to the State. It is requested that the Executive Officer of the Board notify DMH Contracts Development and Administration Division at (213) 738-4684 when the document is available.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mg Southard", written in a cursive style.

MARVIN J. SOUTHARD, D.S.W.

Director of Mental Health

MJS:RK:MM:LQ:oh

Enclosures

c: Chief Executive Officer
County Counsel
Executive Office, Board of Supervisors
Chairperson, Mental Health Commission

**RESOLUTION OF
THE BOARD OF SUPERVISORS OF
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA**

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors (Board) of the County of Los Angeles (County), does hereby approve and authorize the Director of the Department of Mental Health to execute Agreement No. LA-01 entered into by and between the County and the California Health Facilities Financing Authority. It is further resolved that the Board approves and authorizes the Director of the Department of Mental Health to approve future, necessary Amendments to Agreement No. LA-01, including amendments to accept additional funding, extend the term of Agreement No. LA-01, rollover unspent funds and/or redirect unspent funds, and to execute any future substantially similar agreements between County and the California Health Facilities Financing Authority for grant funding in subsequent fiscal years.

The foregoing Resolution was adopted on the 12th day of November, 2014, by the Board of Supervisors of the County of Los Angeles, and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities, for which said Board so acts.



Chairman, Board of Supervisors



Attest:

SACHI HAMAI, Executive Officer
Board of Supervisors of the
County of Los Angeles

By 

Deputy

APPROVED AS TO FORM:

MARK J. SALADINO
OFFICE OF THE COUNTY COUNSEL

By 

Deputy County Counsel

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
GRANT AGREEMENT NUMBER LA-01**

COUNTY OF LOS ANGELES

550 S. VERMONT AVENUE, 12TH FLOOR, LOS ANGELES, CA 90020

THIS AGREEMENT (the "Agreement") is made this ____ day of _____, 201__, between County of Los Angeles ("Grantee") and the California Health Facilities Financing Authority ("CHFFA" or the "Authority").

RECITALS:

- A. Grantee has applied to CHFFA for a grant from the Investment in Mental Health Wellness Grant Program to fund the hereinafter defined Project,
- B. CHFFA has determined that Grantee's Application meets eligibility requirements of the hereinafter defined Regulations.
- C. Subject to the availability of grant monies, CHFFA proposes to grant \$40,892,700.49 (the "Grant") to Grantee in consideration of, and on condition that the Grant be used for the purposes of the Project as described in Exhibit D attached hereto and on the terms and conditions contained herein.
- D. The purpose of this Agreement is to set forth the terms and conditions upon which CHFFA will provide the Grant to Grantee to undertake the Project.

NOW, THEREFORE, CHFFA and Grantee agree as follows:

ARTICLE I – DEFINITIONS

Section 1.1 – ACTUAL EXPENDITURES FORM means Actual Expenditures Form No. CHFFA 7 MH-03 (10/2013).

Section 1.2 – GRANT DOCUMENTS means this Agreement, the Grantee's Application, the Grant Award Letter (Exhibit A); and the Authority's Resolution (Exhibit B), including all exhibits to such documents.

Section 1.3 – GRANT PERIOD means the period beginning on April 24, 2014 and ending April 24, 2016, as such period may be extended upon the prior written approval of CHFFA, which shall become incorporated into this Agreement.

Section 1.4 – PROJECT means the project to be funded with the Grant as more particularly described in Grantee's Application and other Grant Documents, although the scope of the Project may be clarified in a report prepared by Authority Staff. The Authority may broaden the definition of the Project at its discretion to ensure the Project can provide the intended services, so long as the broadening of the definition of the Project does not result in additional County funds to complete. Any written approval of CHFFA to expand the Project shall become incorporated into this Agreement.

Section 1.5 – PROJECTED EXPENDITURES FORM means Projected Six Months of Expenditures Form No. 7 MH-02 (10/2013).

Section 1.6 – REGULATIONS means the Investment in Mental Health Wellness Grant Program regulations at sections 7113 through 7129 of title 4 of the California Code of Regulations, as may be amended from time to time.

Section 1.7 – Any capitalized terms used but not otherwise defined in this Agreement shall have the meaning set forth in the Regulations.

ARTICLE II – REPRESENTATIONS AND WARRANTIES

Grantee makes the following representations and warranties to CHFFA as of the date of execution of this Agreement and throughout the Grant Period:

Section 2.1 – LEGAL STATUS. Grantee is an “eligible applicant” as described in the eligibility requirements of Section 7114 of the Regulations and has full legal right, power and authority to enter into this Agreement and the other Grant Documents to which it is a party and to carry out and consummate all transactions contemplated hereby and by the other Grant Documents as evidenced, in part, by the Resolution of Grantee’s Governing Board attached herein as Exhibit C.

Section 2.2 – VALID AND BINDING OBLIGATION. This Agreement has been duly authorized, executed and delivered by Grantee, and is a valid and binding agreement of Grantee.

Section 2.3 – PROJECT AND ELIGIBLE COSTS. The Project and the eligible costs relating to the Project meet the requirements of the Regulations.

Section 2.4 – PROPERTY OWNERSHIP. If the Project includes acquisition, construction or renovation of real property, Grantee will have obtained good and marketable fee simple title to the real property upon acquisition or prior to construction or renovation as applicable. However, if the Project includes construction or renovation located on real property to be leased by Grantee or otherwise not owned in fee simple title by Grantee, Grantee will have satisfied the requirements of Section 7126 of the Regulations prior to the initial disbursement of Grant funds.

Section 2.5 – GRANT DOCUMENTS. Grantee has access to professional advice to the extent necessary to enable Grantee to comply with the terms of the Grant Documents.

ARTICLE III - CONDITIONS PRECEDENT TO EACH DISBURSEMENT

CHFFA’s obligation to make each disbursement of Grant funds during the Grant Period under this Agreement is subject to all of the following conditions:

Section 3.1 – DOCUMENTATION. This Agreement shall be fully executed and delivered by Grantee and CHFFA in form and substance satisfactory to CHFFA.

Section 3.2 – REPRESENTATIONS AND WARRANTIES. The representations and warranties contained in Article II of this Agreement are true and correct as of the date of such disbursement and as certified by Grantee in the applicable Projected Expenditures Form.

Section 3.3 – NO EVENT OF DEFAULT. There shall exist no Event of Default under this Agreement, and there shall exist no event, omission or failure of condition, which, after notice or lapse of time, would constitute an Event of Default under this Agreement.

Section 3.4 – DISBURSEMENT REQUEST. Grantee shall have delivered to CHFFA a completed Projected Expenditures Form relating to the disbursement for the ensuing six (6) month period, a completed Actual Expenditures Form relating to the disbursement for the prior six (6) month period, and any other information required by Sections 7125 and 7128 of the Regulations in form and substance satisfactory to CHFFA.

Section 3.5 – READINESS AND FEASIBILITY. Grantee has submitted to the Authority sufficient documentation to enable Authority staff to conclude the Project is ready and feasible as more particularly described in Section 7125 (a)(2) and (a)(3) of the Regulations. The Authority Staff shall determine Project readiness and feasibility at the time of Initial Allocation or within six (6) months following Final Allocation. Limited extensions beyond six (6) months may be granted as set forth in Regulations Section 7125(a)(3)(C). Upon request, Grantee shall provide updated information necessary for the Authority to determine Project readiness and feasibility. Failure to demonstrate readiness and feasibility within the timeframes dictated by the Authority may cancel the Grant. In the event Grantee fails to complete the Project by the end of the Grant Period (inclusive of any extensions permitted by the Authority), the Authority may require remedies, including forfeiture and return of the Grant to CHFFA in accordance with the Regulations as set forth in Article VI below.

ARTICLE IV – GRANT DISBURSEMENT PROCEDURES

Section 4.1 – DISBURSEMENT PROCESS.

- (a) **Initial Disbursements:** Initial disbursement of Grant funds shall be released upon the Authority's receipt of a completed Projected Expenditures Form and other documentation required by Section 7125(a)(2) of the Regulations, satisfactory to the Authority.
- (b) **Subsequent Disbursements:** Subsequent disbursements of Grant funds shall be released in six (6) month intervals upon receipt of a completed Projected Expenditures Form, any status reports that may be due pursuant to Section 7128(a) of the Regulations, satisfactory to the Authority, and the Authority's receipt of any Actual Expenditures Forms that may be due, and any additional information as described in Section 7125(b) of the Regulations, satisfactory to the Authority.
- (c) **Reports and Reconciliations:** CHFFA shall notify Grantee in writing within seven (7) business days of any deficiencies or discrepancies in the information, forms and reports submitted by Grantee, including any reconciliations the Authority deems necessary as may occur due to projected expenditures exceeding actual expenditures for any of the reporting periods. The Authority will not disburse any funds until Grantee addresses to the Authority's satisfaction, any deficiencies or discrepancies in the information, forms and reports submitted by Grantee. CHFFA may deduct the difference between actual expenditures and the disbursed amount from the next disbursement or the Grantee shall submit a refund for the difference.

Section 4.2 – AMOUNT OF DISBURSEMENT. The total amount of the Grant shall not exceed the amount authorized under this Agreement and may only be spent for eligible costs. Grant funds are subject to the availability of funds and may be rescinded or reduced. Grantee shall establish an account to deposit the Grant funds and shall maintain this account for purposes of payments of Project expenditures. A segregated sub-account may be used by Grantee provided the statement allows for the accounting of the receipt and expenditure of Grant funds, and the interest earned from these funds, separately from other funds in the account. Upon request, Grantee shall submit copies of all statements for such account or sub-account to CHFFA. At the end of the Grant Period (inclusive of any extensions permitted by CHFFA), any unused Grant funds, interest and investment earnings on such Grant funds revert to and shall be paid to the Authority.

ARTICLE V – AFFIRMATIVE AND NEGATIVE COVENANTS

Section 5.1 – CERTIFICATE OF COMPLETION. Within 60 days following completion of the Project, Grantee shall certify to CHFFA that the Project is complete (the “Completion Certificate”) and shall provide, to the extent not already provided, supporting documentation required by Section 7128(c) of the Regulations, to the satisfaction of CHFFA.

Section 5.2 – COMPLIANCE WITH STATUTE AND REGULATIONS. Grantee shall comply with the requirements of the Investment in Mental Health Wellness Grant Program, Welfare and Institutions Code section 5848.5, the Regulations, and all other applicable laws of the State of California. Grantee agrees that continued compliance with these requirements is Grantee’s responsibility.

Section 5.3 – AUDIT AND RECORDKEEPING PROVISIONS. Grantee shall maintain satisfactory financial accounts, documents and other records for the Project and shall retain all documentation 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. Grantee agrees that the California State Auditor and Authority Staff may conduct periodic audits and inspections to ensure that Grantee is using the Grant consistent with Program requirements and the terms of this Agreement.

Section 5.4 – NOTICE TO CHFFA. Grantee shall promptly give notice in writing to CHFFA of any pending or threatened action related to the Project in which the amount claimed is in excess of twenty-five thousand dollars (\$25,000). Grantee shall promptly give notice in writing to CHFFA of any uninsured or partially uninsured loss related to the Project through fire, theft, liability, or otherwise in excess of an aggregate of twenty-five thousand dollars (\$25,000).

Section. 5.5 – RELEASE. Grantee shall waive all claims and recourse against CHFFA including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Agreement, Grantee's use of the Grant funds, Grantee’s operations, or the Project. The provisions of this Section 5.5 shall survive termination of this Agreement.

Section 5.6 – INDEMNIFICATION. Grantee shall defend, indemnify and hold harmless CHFFA and the State, 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, the Project or the Program. The provisions of this Section 5.6 shall survive termination of this Agreement.

Section 5.7 – NON-DISCRIMINATION CLAUSE. Grantee shall comply with state and federal laws prohibiting discrimination, including those prohibiting discrimination because of sex, race, color, ancestry, religion, creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status and denial of statutorily-required, employment-related leave.

Section 5.8 – PREVAILING WAGE. Grantee shall comply with California's prevailing wage law under Labor Code Section 1720 et seq. for public works projects.

Section 5.9 – PROJECT COMPLETION. Grantee shall assume any obligation to furnish any additional funds that may be necessary to complete the Project.

Section 5.10 – PAYMENT OF RENT. If any portion of the Project (except for equipment acquisition projects) is located on any real property leased by Grantee, Grantee shall budget for payment of rent each year (unless Grantee pays a nominal yearly rent or has paid full rent under the lease agreement).

Section 5.11 – USE OF FUNDS. Grantee will not without prior consent of CHFFA do any of the following: (1) use any Grant funds for purposes other than for the Project unless a change in the use of the Grant is approved in writing by CHFFA; (2) make any changes to the Project as described in the Application or any of the Grant Documents; or (3) dispose of a capital asset before the end of the useful life of the asset.

ARTICLE VI – DEFAULT AND REMEDIES

Section 6.1 – EVENTS OF DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

(1) Any representation or warranty made by Grantee, hereunder or under any other Grant Document, proves to be incorrect in any material respect;

(2) Grantee's failure to perform any term or condition of this Agreement, the Regulations, or any other Grant document; or

(3) Any construction or renovation portion of the Project is located on real property leased by Grantee and the lease agreement terminates before the end of the useful life of the Project and the property is not simultaneously re-leased under a new lease agreement that complies with the Regulations, or fee title to the property is not simultaneously transferred to Grantee.

Section 6.2 – NOTICE OF DEFAULT AND OPPORTUNITY TO CURE.

CHFFA shall provide written notice to Grantee of any Event of Default by specifying: (1) the nature of the event or deficiency that gave rise to the Event of Default; (2) the action required to cure the Event of Default, if an action to cure is possible; and (3) a date, which shall not be less than thirty (30) calendar days from the mailing of the notice, by which such action to cure must be taken, if an action to cure is possible, provided, however, so long as Grantee has commenced to cure within such time, then CHFFA may allow the Grantee a reasonable period thereafter within which to fully cure the Event of Default.

Section 6.3 – REMEDIES. If an Event of Default has occurred and is continuing, CHFFA shall have the right to pursue remedies in accordance with Section 7127 of the Regulations and to take any other actions in law or in equity to enforce performance and observance of any obligation, agreement or covenant of Grantee under this Agreement.

ARTICLE VII – MISCELLANEOUS

Section 7.1 – ENTIRE AGREEMENT. This Agreement, together with all agreements and documents incorporated by reference herein, constitutes the entire agreement of the parties and may be amended, changed or modified in a writing signed by Grantee and CHFFA.

Section 7.2 – NOTICES. Unless otherwise agreed upon in writing by CHFFA and Grantee, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by first-class mail, postage prepaid and addressed as follows:

- (i) If to Grantee:

Attention:

- (ii) If to the Authority:

California Health Facilities
Financing Authority
915 Capitol Mall, Suite 590
Sacramento, California 95814
Attention: Executive Director

Section 7.3 – COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 7.4 – GOVERNING LAW AND VENUE. This Agreement shall be construed in accordance with and governed by the laws of the State of California. This Agreement shall be enforceable in the State of California and any action arising hereunder shall (unless waived in writing by the Authority) be filed and maintained in the County of Sacramento.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first hereinabove written.

GRANTEE:

COUNTY OF LOS ANGELES

By: _____ [Authorized Officer]

Print Name/Title: _____

Date: _____

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY:

By: _____
Executive Director

Date: _____

Exhibit A

GRANT AWARD LETTER



CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

915 Capitol Mall, Suite 590
Sacramento, CA 95814
p (916) 653-2799
f (916) 654-5362
chffa@treasurer.ca.gov
www.treasurer.ca.gov/chffa

MEMBERS

BILL LOCKYER, CHAIRMAN
State Treasurer

JOHN CHIANG
State Controller

MICHAEL COHEN
Director of Finance

JUDITH N. FRANK

JAY HANSEN

ANN MADDEN RICE

OSCAR SABLAN, M.D.

JACK BUCKHORN

SAMUEL QIU

EXECUTIVE DIRECTOR
Barbara J. Liebert

April 4, 2014

Marvin J. Southard, D.S.W.
Director
Los Angeles County Department of Mental Health
550 S. Vermont Avenue, 12th Floor
Los Angeles, CA 90020

RE: Investment in Mental Health Wellness Grant Program
Initial Allocation Letter (California Code of Regulations, Title 4, sections 7113(v) and 7120)
First Funding Round

Dear Mr. Southard:

Thank you for submitting an application for a grant from the Investment in Mental Health Wellness Grant Program (Program) administered by the California Health Facilities Financing Authority (Authority). We appreciate the time and effort invested into the application and we thank you for your patience throughout our review process.

Authority staff completed evaluations of all applications according to the criteria contained in the Program regulations. We plan to present Initial Allocations to the Authority members for Final Allocations¹ as early as April 24, 2014 or as late as May 29, 2014. This letter serves to notify applicants of their Initial Allocations, as required under section 7120 of the Program regulations.

Accordingly, we are pleased to present you with the Initial Allocation for your county as set forth in the below chart, subject to reductions as may occur following final staff verification of eligibility of all projected costs.

Program	Amount Requested	Eligible Amounts	Initial Allocation	Expected Federal Financial Participation ²
Crisis Residential	\$ 35,000,000.00	\$ 35,000,000.00	\$ 35,000,000.00	
Crisis Stabilization	\$ 5,000,000.00	\$ 4,210,526.31 ³	\$ 4,210,526.31	
Mobile Crisis Capital	\$ 559,233.00	\$ 559,233.00	\$ 559,233.00	
Mobile Crisis Personnel	\$ 1,314,082.00	\$ 1,122,941.18 ⁴	\$ 1,122,941.18	\$ 784,561.65

Total \$ 41,873,315.00 \$ 40,892,700.49 \$ 40,892,700.49

¹ The term "Final Allocation" is set forth in California Code of Regulations, Title 4, sections 7113(n) and 7122.

² Senate Bill 82 suggests that each county may seek through California Department of Health Care Services to recover 41% of total annual operating costs for its Mobile Crisis Support Team from Medi-Cal Federal Financial Participation.

³ This is the regional maximum available for crisis stabilization funding in Los Angeles County.

⁴ This is the regional maximum available for personnel funding in Los Angeles County.

April 4, 2014
Los Angeles County Department of Mental Health
Page 2

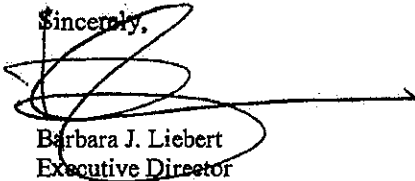
Pursuant to the Program regulations, if you wish to appeal your Initial Allocation, the Lead Grantee must submit an appeal to the Authority's Executive Director within five calendar days of the date of this letter. As a reminder, no applicant may appeal an Initial Allocation made to another Applicant. Please refer to California Code of Regulations, Title 4, section 7121 for more information regarding the appeal process.

The Authority will consider the Initial Allocations and determine Final Allocations at a public meeting. **Please contact your project officer identified below to confirm that you are able to go forward with the project with the given initial allocation amounts.** As part of the Grant award process, representatives of your organization are requested to attend the meeting to answer project-related questions from Authority members. We will notify you of the date and time for this public meeting once it has been scheduled.

In the meantime, if there have been any material changes to your project that might affect the Grant if awarded (for example, you have decided not to pursue your project) please notify us immediately via e-mail at chffa@treasurer.ca.gov.

If you have any questions, please contact the project officer, Paul Dulai at (916) 653-2757 or Amritpal.Dulai@treasurer.ca.gov.

Sincerely,



Barbara J. Liebert
Executive Director

Exhibit B

RESOLUTION

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

Exhibit C

RESOLUTION OF GRANTEE'S GOVERNING BOARD

Exhibit D

PROJECT DESCRIPTION

The Project Description, as described in Exhibit A to the Authority's May 29, 2014 Amendment to Resolution No. MH 2014-06 is as follows:

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

Crisis Residential

The County of Los Angeles (the "County"), will implement 35 new Crisis Residential Treatment Programs ("CRTPs") with a capacity of 16 residents each located throughout the county for a total of 560 new beds to serve adults with mental illness in psychiatric crisis, including those with co-occurring substance abuse disorders. CRTPs will be located throughout the County, and provide a safe home-like environment. The funds will be used to purchase or lease land and buildings; construct or renovate buildings; furnish and equip buildings; finance information technology; and finance three months of startup costs.

Crisis Stabilization

The County will establish three additional Crisis Stabilization Units aka Urgent Care Centers ("UCCs") in areas that do not have UCCs at this time. The three new UCCs will expand access and capacity throughout the region and will be located in the Antelope Valley area, San Gabriel Valley/Tri City area, and the South Bay/Harbor area. Each UCC will provide services for 12 adults and six adolescent beds with the ability to treat up to 45 individuals per day whose problems can be met with short-term (under 24 hours), immediate care and connections to community-based resources. The program will emulate the four existing UCCs, providing 24 hour stabilization services, 365 days a year in a home-like environment and will add 54 new Crisis Stabilization beds. The funds will be used to purchase or lease land and buildings; construct or renovate buildings; furnish and equip buildings; finance information technology; and finance three months of startup costs.

Mobile Crisis Support

The County will establish 14 mobile crisis support teams and 1 clerical staff to provide field based crisis intervention services to children, adolescents, and adults throughout the county. The program's objectives are to expand access and capacity throughout the region, which decreases the need for inpatient psychiatric hospitalizations by providing immediate field based services. The teams will include partnerships with law enforcement agencies throughout the county in which law enforcement officers, along with one licensed clinician, will respond to 911 calls for assistance involving persons experiencing a mental illness. This program will partner with nine law enforcement agencies. Also the law enforcement agencies will contribute unmarked police vehicles (for the teams to respond to calls), office space, furniture, training, and personnel to partner with licensed clinicians. Planned psychiatric mobile response teams will provide two licensed mental health clinicians to respond to community calls to persons of all ages with various acute mental health issues. The project will be operational by March 2015. The funds will be used to purchase four vehicles, information technology equipment, three months of program expansion costs, and to hire the new personnel.

Summary of Amounts

Programs	Approved Grant Amount	Expected Federal Financial Participation
Crisis Residential	\$ 35,000,000.00	
Crisis Stabilization	\$ 4,210,526.31	
Mobile Crisis Capital	\$ 559,233.00	
Mobile Crisis Personnel	\$ 1,122,941.18	\$ 784,561.65

Total \$ 40,892,700.49

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF MENTAL HEALTH

DEPT'S.
NO. 435

October 24, 2014

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2014-15

4 - VOTES

SOURCESUSES

See Attachment

SOURCES TOTAL: \$ 24, 776,000

USES TOTAL: \$ 24, 776,000

JUSTIFICATION

This adjustment is requested to increase the appropriation for Salaries & Employee Benefits, Service & Supplies and Capital Assets to provide the additional spending authority for the implementation of the Senate Bill (SB) 82 Investment in Mental Health Wellness Act of 2013 grant award from the California Health Facilities financing Authority (CHFFA). The appropriation adjustment is fully funded by Investment in Mental Health Wellness Act, State MHSA revenue budgeted for Committed Budget Uncertainties and Federal Financial Participation. There is no impact on net County cost.

ADOPTED

BOARD OF SUPERVISORS

AUTHORIZED SIGNATURE [Margo Morales]

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

18 NOV 12 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR ---☐ ACTION☒ RECOMMENDATION

AUDITOR-CONTROLLER

BY

B.A. NO. 047

Oct 28 20 14

☐ APPROVED AS REQUESTED☒ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY

10/30 20 14

REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF MENTAL HEALTH

FY 2014-15
4 - VOTES

SOURCES:

Mental Health Services Act-Prop. 63 BT1-3047 Committed for Budget Uncertainties Decrease Obligated Fund Balance	\$4,656,000
Department of Mental Health A01-MH-96-9911-20500 Operating Transfers in Increase Revenue	\$4,656,000
Department of Mental Health A01-MH-90-9025-20500 Federal Medi-Cal Increase Revenue	\$5,529,000
Department of Mental Health A01-MH-88-8768-20500 SB 82 Grant Increase Revenue	\$9,710,000
Department of Mental Health A01-MH-5500-20500 Other Charges Decrease Appropriation	\$225,000

TOTAL SOURCES: \$ 24,776,000

USES:

Mental Health Services Act-Prop. 63 BT1-MH-6100-41189 Other Financing Uses Increase Appropriation	\$4,656,000
Department of Mental Health A01-MH-1000-20500 Salaries & Employee Benefits Increase Appropriation	\$1,571,000
Department of Mental Health A01-MH-2000-20500 Services & Supplies Increase Appropriation	\$18,414,000
Department of Mental Health A01-MH-6030-20500 Capital Assets - Equipment Increase Appropriation	\$135,000

TOTAL USES: \$24,776,000

ADOPTED
BOARD OF SUPERVISORS

18 NOV 12 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

BA #047 *[Signature]*
Oct. 28, 2014

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
MOBILE CRISIS SUPPORT TEAM - SB 82 CHFFA GRANT PROGRAM
LIST OF ITEMS**

ITEM & SUBLETTER	TITLE OF POSITION	ORDINANCE POSITIONS	FTE
09038A	MENTAL HEALTH CLINICAL SUPERVISOR	1	1.0
08697A	CLINICAL PSYCHOLOGIST II	4	4.0
09035A	PSYCHIATRIC SOCIAL WORKER II	9	9.0
02216A	SENIOR TYPIST-CLERK	1	1.0
	TOTAL	15	15.0

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
CRM PROGRAM OPERATION - MHSA FUNDED
LIST OF ITEMS**

ITEM & SUBLETTER	TITLE OF POSITION	ORDINANCE POSITIONS	FTE
04726A	MNTL HLTH CLINICAL PROGRAM HEAD	1	1.0
04731A	HEALTH PROGRAM ANALYST III	1	1.0
02102A	SENIOR SECRETARY III	1	1.0
02214A	INTERMEDIATE TYPIST- CLERK	1	1.0
TOTAL		4	4.0