

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY (Authority)**

**Community Services Infrastructure Grant Program**

**First Amendment to Resolution Number CSI 2023-02 (Third Funding Round)**

**and**

**First Amendment to Resolution Number CSI 2023-03 (Fourth Funding Round)**

**County of Santa Clara**

**February 29, 2024**

**PURPOSE OF THE REQUEST:**

The County of Santa Clara (County) is requesting to have the project description changed for both of its approved Community Services Infrastructure (CSI) Grant Program projects.

**BACKGROUND:**

The County was approved by the Authority for two CSI grants during two funding rounds.

1<sup>st</sup> CSI Grant (Round 3):

Resolution Number CSI 2023-02 was approved by the Authority on January 26, 2023, authorizing a CSI grant for the County in the amount of \$2,000,000 to add eight new beds to expand the County's Transitional Housing Unit (THU) Program, through the purchase of at least one facility. The program is expected to provide specialty mental health services for justice-involved individuals, and the County anticipates the program will serve approximately 16 additional individuals annually. The project was scheduled to be open and operational by November 31, 2024. The County intends to utilize leveraged funding to renovate, furnish, staff, and operate the facility.

2<sup>nd</sup> CSI Grant (Round 4):

Resolution Number CSI 2023-03 was approved by the Authority on May 25, 2023, authorizing a CSI grant for the County in the amount of \$6,000,000 to add 18 new beds to expand the County's existing THU Program, through the purchase of at least three facilities. The program is expected to provide specialty mental health services for justice-involved individuals, and the County anticipates the program will serve approximately 36 additional individuals annually. The project was scheduled to be open and operational by November 31, 2024. The County intends to utilize leveraged funding to renovate, furnish, staff, and operate the facilities.

On November 30, 2023, the County submitted a request to change the project description for both CSI grants. Due to the rising costs of properties and the competitive housing market, the County determined that the acquisition costs of four properties as initially proposed and approved is no longer feasible in the current housing market. Additionally, the County's search for properties in residential neighborhoods has led to grievances from community members who oppose the integration of justice-involved adults into their neighborhoods. In an effort to expand community alternatives to incarceration, the County re-evaluated its resources and wants to combine its approved projects into a more feasible one and requested the Authority

approve the proposed altered project of combining grant funding from Resolution Number CSI 2023-02 and Resolution Number CSI 2023-03 together for the acquisition of one property, such as a hotel or motel, instead of the purchase of four individual residential properties, which will allow the County to maintain the promised combined capacity of 26 beds. The proposed project description change was presented as an information item to the Authority Board in January 2024.

**NEW PROPOSED PROJECT:**

The proposed project will combine the total CHFPA grant funding to be utilized together for the acquisition of one property, such as a hotel or motel, instead of the purchase of four individual residential properties. By consolidating both CSI grant fund amounts, the County has broader property options and is still able to maintain the combined approved CSI project bed capacity of 26-beds as well as the number of clients to be served annually.

The County has identified three potential suitable buildings from a list received from the County’s Fleet and Facilities Real Estate Department (see Exhibit E) and intends to engage in purchase discussions after the new proposed project is approved by the Authority, as the County’s appraisals indicate valuations significantly below the buildings’ listed sale prices. Once the County confirms the property pricing is within the combined CHFPA award amount of \$8,000,000, site visits will be scheduled to preview the three identified buildings and proceed with property acquisition.

**PROGRESS:**

Since presenting the project description change information item to the Authority board in January 2024, Authority staff has been working diligently with the County to obtain all of the necessary documentation to substantiate the request and determine if the project change would have been awarded if it had been the original concept at time of application.

Authority staff initially had concerns regarding the County’s proposed changes to the CSI project, considering the short turnaround time from when the County would be able to purchase a facility and become open and operational, and that the submitted timeline does not include any time for facility renovations. The County provided confirmation that while the potential facilities have not yet been viewed, the County is confident that minor renovations, if any, will be required and that it is committed to meeting the Program deadlines.

Additionally, the County has submitted all the required documentation to support the Procedures for Addressing Requests for Project Description Changes - Review Matrix (see Exhibit A). After review of the documentation, Authority staff have determined that the project is likely feasible and sustainable and would have been awarded had it been the original concept at time of application.

**RECOMMENDATION:**

Staff recommends the Authority approve amendments to Resolution Nos. CSI 2023-02 and CSI 2023-03 to change the project description. All other conditions in the Resolutions shall remain the same and in full effect.

**EXHIBITS:**

- A. Procedures for Addressing Requests for Project Description Changes – Review Matrix
- B. County’s Project Description Change Request
- C. Board of Supervisors’ Project Change Support Letter
- D. New Project Timeline
- E. County’s Facility Acquisition Assessment List
- F. Real Estate Market in Santa Clara
- G. County’s Operating Budget

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**Procedures for Addressing Requests for Project Description Changes  
Review Matrix**

County of Santa Clara (County)  
Community Services Infrastructure Grant Program (CSI) - Third and Fourth Funding Rounds

Procedure	Notes
1. Project Description change was presented as an information item Authority.	County’s project description change was presented to the Authority on January 25, 2024.
2. If applicable, the Grantee provided proof of budget cuts and how they were allocated among all County programs, including the CHFFA funded program.	The County’s project description request (Exhibit B) is not due to budget cuts, but an effort to increase the County’s purchasing power by acquiring one large property (hotel/motel) instead of four separate properties. The County intends to utilize leveraged funding to renovate, furnish, staff, and operate the facilities.
3. The Grantee provided a report that was presented to the Board of Supervisors that looks at potential courses of action that could be taken besides the one presented to staff. The report included the following:	
a. The other county programs that would be affected and how these programs would be affected by continuing to fund the CHFFA project at the promised bed capacity.	The proposed project description change will not reduce the promised capacity of 26 total beds, and it does not affect other County programs. The County provided a Board of Supervisors’ letter in support of combining the CSI grant awards from Round 3 & Round 4 to increase the County’s purchasing power.
b. A list of solutions that consider a reduction in Authority approved capacity along with a prorated grant award and their effects on the county operationally and on meeting the need for services in the county, including the annual number of clients that would no longer be served.	The proposed project description change is to use the combined CHFFA grant funding to acquire a single property, such as a hotel or motel, instead of purchasing four separate residential properties, which would offer more flexibility in property selection while still meeting the approved project bed count of 26-beds and serving the same number of clients annually. No other alternatives were considered as the County determined that the acquisition costs of four properties as initially proposed and approved is no longer feasible in the current housing market.

Procedure	Notes
c. A report/study on the updated need for services in the County.	The County has confirmed that CSI services for Santa Clara County will remain the same, and that they will serve the target population at the promised bed capacity as originally reported at the time of application.
4. The Grantee must submit updated information that is required in the grant application for the new/amended project.	<p>The County provided CHFFA with supporting documentation:</p> <ul style="list-style-type: none"> <li>• Santa Clara County Board of Supervisors project change support letter (see Exhibit C)</li> <li>• New project timeline (see Exhibit D)</li> <li>• County’s facility acquisition assessment list (see Exhibit E)</li> <li>• Real estate overview in the county (see Exhibit F)</li> <li>• County’s operating budget (see Exhibit G)</li> </ul>
5. CHFFA staff will evaluate the new information submitted and determine if it meets the intent of the statute, meets regulations/program requirements, is feasible and sustainable, and will score it as if it were a new application.	Staff has determined that, based on the information submitted, the new proposed project would meet the eligibility requirements of the CSI Program.
6. CHFFA staff will assess whether it would have awarded the County had it submitted the new/amended project information and make a recommendation based on that determination.	The information provided by the County has been reviewed, and it has been determined that the project would have been awarded.

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COUNTY OF SANTA CLARA  
**Behavioral Health Services**  
Supporting Wellness and Recovery

November 30, 2023

California Health Facilities Financing Authority  
Attention: Stephanie Heiner  
901 P Street, Room 313  
Sacramento, CA 95814

Dear Ms. Heiner:

The Santa Clara County (SCC) Behavioral Health Services Department (BHSD) is requesting an adjustment of the California Health Facilities Financing Authority (CHFFA) Round 3 Grant readiness January 25, 2024, deadline to align with the CHFFA Round 4 reading deadline of May 25, 2024. The alignment of the two (2) CHFFA Round 3 and 4, will allow the SCC BHSD to acquire a larger facility to house a minimum of 26 justice-involved individuals while simultaneously providing behavioral health outpatient treatment services.

Given the increasingly high cost of real estate in Santa Clara County, the SCC-BHSD has faced challenges in finding suitable properties utilizing only the Round 3 grant funding. This was the case when SCC-BHSD was in the process of acquiring a property and the seller increased the original price by 20% which resulted in termination of the acquisition process, due to the cost being more than what was available through the Round 3 grant award. Thus, rising real estate prices and inability to utilize both Round 3 (\$2 million for 8 beds) and Round 4 (\$6 million for 18 beds) funding simultaneously has resulted in reduced purchasing power to acquire suitable properties. Further, the lack of purchasing power, has restricted SCC-BHSD to search for real estate properties in family-oriented neighborhoods which are often located near schools. This in turn, has resulted in community members complaints to government officials objecting the placement of justice-involved adults and older adults releasing from correctional settings into their neighborhoods.

Approval to adjust the Round 3 and Round 4 timelines, will allow SCC-BHSD to purchase a larger facility, potentially located in a commercial area, capable of housing at a minimum 26 individuals with minimal community objection. This approval will allow for SCC-BHSD to expand transitional housing units for justice involved adults and older adults transitioning from the justice system into community via Intercept 3.

Better Health for All

Administration 828 S. Bascom Avenue, 2<sup>nd</sup> Fl., Suite 200, San Jose, CA 95128 • (408) 885-5770

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COUNTY OF SANTA CLARA  
**Behavioral Health Services**  
Supporting Wellness and Recovery

Lastly, the SCC-BHSD intends to present a project description change to the CHFFA Board proposing the combination of Round 3 and Round 4 grant funding for the purchase of a different and larger property type (i.e., motel, hotel, etc.).

Please do not hesitate to reach out if any questions or concerns arise.

Sincerely,

DocuSigned by:

*Sherri Terao*

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Sherri Terao, Director  
Behavioral Health Services Department  
County of Santa Clara Health System

DocuSigned by:

*Gabby Olivarez*

8B659F765374436...

Gabby Olivarez, Division Director  
Forensic, Diversion and Reintegration Division  
Behavioral Health Services Department  
County of Santa Clara Health System

Better Health for All

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**SUSAN ELLENBERG**  
PRESIDENT, BOARD OF SUPERVISORS  
SUPERVISOR, DISTRICT FOUR  
COUNTY OF SANTA CLARA



COUNTY GOVERNMENT CENTER, EAST WING  
70 WEST HEDDING STREET, 10<sup>TH</sup> FLOOR  
SAN JOSE, CALIFORNIA 95110  
TEL: (408) 299-5040  
supervisor.ellenberg@bos.sccgov.org • www.supervisorellenberg.com

December 14, 2023

California Health Facilities Financing Authority (CHFFA)  
Attention: Stephanie Heiner  
901 P Street, Room 313  
Sacramento, CA 95814

Dear Ms. Heiner,

I am writing in support of the Santa Clara County Behavioral Health Services Department's (BHSD) request to combine their Community Services Infrastructure (CSI) grant awards from Round 3 (\$2 million) and Round 4 (\$6 million) to one \$8 million award, with aligned requirements and deadlines.

In 2023, BHSD was awarded grants in Round 3 (\$2 million) and Round 4 (\$6 million) of the CSI program to address the urgent need for temporary shelter and housing for justice-involved individuals with behavioral health conditions. The BHSD would use the funds to acquire and/or renovate one or more properties and establish up to 26 additional transitional housing beds, helping justice-involved, unhoused (or unstably housed) individuals to actively engage in and sustain behavioral health treatment.

Consolidating the two grants would provide the BHSD with the flexibility to acquire the most advantageous properties to establish the 26 additional beds. For example, the BHSD may be able to acquire one property for \$8 million or three properties with purchase prices of approximately \$2.6 million each.

Given the increasingly high cost of real estate in Santa Clara County, BHSD has faced challenges in finding suitable properties utilizing only the Round 3 grant funding. For example, one seller increased the asking price by 20% which resulted in termination of the acquisition process, due to the cost being more than what was available through the Round 3 (\$2 million) grant award. Rising real estate prices and inability to utilize both Round 3 (\$2 million for 8 beds) and Round 4 (\$6 million for 18 beds) funding simultaneously has hindered our ability acquire suitable properties. With a consolidated \$8 million grant, BHSD could explore larger properties (e.g., a motel) which are often located in non-residential neighborhoods. Acquiring a property in a commercial or industrial area could also decrease time spent on community engagement, which is needed whenever shelter/housing programs are proposed.



Thank you for the consideration of this request and for your ongoing support of our efforts to expand housing for the justice-involved population in Santa Clara County.

Sincerely,

A handwritten signature in blue ink that reads "Susan Ellenberg". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Susan Ellenberg  
President, Board of Supervisors, Santa Clara County

**New Round 3 and Round 4 Timeline**

<i>Action Item</i>	<i>Date</i>	<i>Parties Involved</i>
1. SCC-BHSD <u>submits letter requesting adjustment</u> of the Round 3 Grant readiness deadline to align with Round 4 reading deadline of May 25, 2024	November 22, 2023	SCC-BHSD and CHFFA
2. SCC-BHSD <u>submits proof of SCC Board of Supervisors' support</u> for project description change (letter on official letterhead from 1 to 2 individuals).	December 11, 2023	SCC-BHSD and SCC-Board of Supervisors
3. SCC-BHSD <u>submits Evidence of real estate markups.</u>	December 11, 2023	SCC-BHSD and SCC-Fleet and Facility
4. SCC-BHSD <u>submits Documentation addressing nimby issues.</u>	December 11, 2023	SCC-BHSD
5. SCC-BHSD <u>submits Assurance that services will not be reduced.</u>	December 11, 2023	SCC-BHSD
6. SCC-BHSD <u>presents Project Description Change.</u>	January or February 2024	SCC-BHSD and CHFFA
7. CHFFA Board <u>votes on Project Description Change.</u>	February or March 2024	CHFFA Board
8. SCC-BHSD <u>identifies and purchases property.</u>	June or July 2024	SCC-BHSD and SCC-Fleet and Facilities
9. SCC-BHSD <u>identifies and establishes contract agreement</u> with Community Based Provider (CBO) to run facility.	July or August 2024	SCC-BHSD and CBO
10. SCC-BHSD <u>facility begins accepting and housing justice-involved clients.</u>	October or November 2024	SCC-BHSD and CBO

## COUNTY'S FACILITY ACQUISITION ASSESSMENT LIST

Location/Address	Name	Rooms/Units	Specs	Ownership Asking Price For Sale	Asking Price FAF comments	Appraisal Estimates	Appraisal to Purchase
3477 El Camino Real, Santa Clara, CA 95051	The Driftwood Hotel	43 w/ Manager 2 bed Units	15,599 sqft building and 31,325 sqft lot	Sale we are looking to net <b>\$10,535,000</b> to our family which prices the property at \$245,000 per unit	At \$170,000/per unit site maybe valued at \$7.310M range.	\$4.3M- \$6.9M	<b>\$5,390,000</b>
1525 Monterey Hwy, San Jose, CA 95110	3 A Motel	25 Units + Managers Unit	6,858 sqft buildg and 40,821 sqft lot	The hotel lot is approximately 28,102 square feet and the car lot is approximately 13,452 square feet for a total combined lot size of 41,554 square feet. We are looking at a sales price of <b>\$6,000,000</b> net to our family. \$5,000,000 for the hotel and \$1,000,000 car dealership portion	At \$170,000/per unit site maybe valued at \$4.250M range + land value for car dealership (TBD).	\$2.5M-\$4M	<b>\$2,920,000</b>
1315 S 1st St, San Jose, CA 95110	Travelers Rest Motel	21 Units	6,645 sqft building and 18,159 sqft lot	looking at <b>\$4,515,000</b> which is \$215,000 a unit.	At \$170,000/per unit site maybe valued at \$3.57M range.	\$2.1M-\$3.3M	<b>\$2,220,000</b>



City, Address, School, Agent, ZIP

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# Santa Clara County, CA Housing Market

The median sale price of a home in Santa Clara County was \$1.4M last month, up 7.0% since last year. The median sale price per square foot in Santa Clara County is \$898, up 6.7% since last year.

## Santa Clara County Housing Market Trends

What is the housing market like in Santa Clara County today?

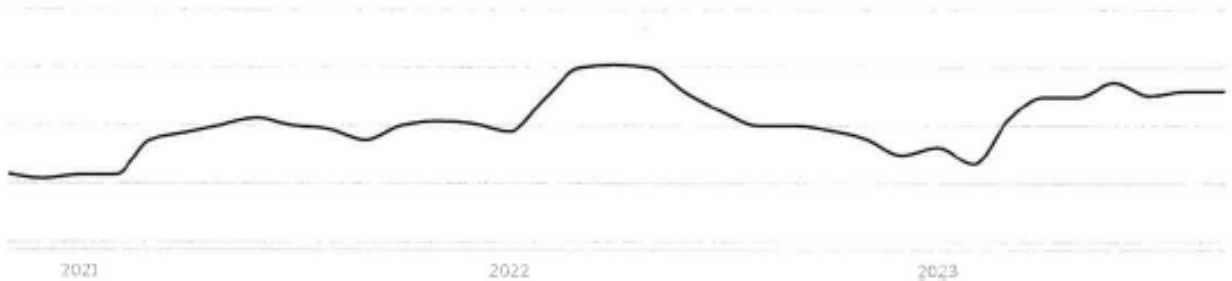
In November 2023, Santa Clara County home prices were up 7.0% compared to last year, selling for a median price of \$1.4M. On average, homes in Santa Clara County sell after 16 days on the market compared to 23 days last year. There were 808 homes sold in November this year, up from 787 last year.

Median Sale Price [dropdown] All Home Types [dropdown]

Median Sale Price (All Home Types)

**\$1,450,000**

+7.0% YoY | Nov 2023



Based on Redfin calculations of home data from MLS and/or public records.

Share [button] Embed [button]

Location	Data Nov 2023	Growth % YoY
Santa Clara County, CA	\$1,450,000	+7.0%
United States		

Add Location [input] Compare [button]

Cookie settings [button]

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Trends Demand **Market Insights** Schools Climate Transportation

See my estimate

### Home offer insights for Santa Clara County

Explore recent offers and recently sold homes in Santa Clara County

#### Recent offers

**Offer Not Accepted** | 8 weeks ago

**-\$1.75M Offer** Sold for **\$1.75M**

4 bd | 3.5 ba | -2,500 sqft

6% under list price    35 days on market    0 competing offers    — down payment

Gabriel Heredia  
Santa Clara County Redfin Agent

Buyer submitted an all cash offer \$1.8m with a contingency for exclusive rights to backyard area to be... [More](#)

**Offer Not Accepted** | 2 weeks ago

**-\$1.5M Offer** Sold for **\$1.75M**

4 bd | 2 ba | -1,500 sqft

6% over list price    6 days on market    2 competing offers

Jennifer Yiu  
Santa Clara County Redfin Agent

More Offer Insights ▾

#### Recently sold homes

**\$1,350,000** Last Sold Price

2 beds 2 baths 2,154 sq ft

6123 Country Club Pkwy, San Jose, CA 95138

List Price **\$1,395,000**

Sale to List **3% under list**

Days on Market **59 days**

**\$1,280,000** Last Sold Price

4 beds 3.5 baths 2,411 sq ft

759 Adeline Ave, San Jose, CA 95136

List Price **\$1,298,888**

Sale to List **1% under list**

Days on Market **73 days**

**\$2,550,000** Last Sold Price

3 beds 2 baths 1,580 sq ft

1142 Palora Ct, Sunnyvale, CA 94087

List Price **\$2,450,000**

Sale to List **4% over list**

Days on Market **54 days**

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REPORTING UNIT GROUPING: Behavioral Health Transitional Housing Unit (THU)

BHSD FY2024 Mental Health Indirect Service Rates	
Board & Care Rate Temporary Housing Unit (26 Beds)	Bed Rate \$100.95
FDR THU Funded by: CHFFA	
THU Purchase of Facility	Estimated Budget \$8,000,000

REPORTING UNIT	MODE/SERVICE FUNCTION	SERVICE FUNCTION NAME	PROGRAM TYPE	UNITS OF SERVICE	RATE PER UNIT	MEDI-CAL FFP	EPSDT REVENUE	MHSA Work Plan CSS-A03 MHSA REVENUE	TOTAL PROGRAM COSTS
CS- TBD THU	05	CJS Special THU (Residential Other)	24 - Hour Services - Mental Health						
	05:61	Medi-Cal/ FFP, County Match, EPSDT	THU	-	\$ -	\$ -	\$ -	\$ -	\$ -
		Other/County		9,490	\$ 100.95			\$ 958,015.50	\$ 958,015.50
		<b>Total</b>		<b>9,490</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 958,015.50</b>	<b>\$ 958,015.50</b>
CS- TBD THU	60	Cost Reimbursement	Support Services - Mental Health						
	60:78	Medi-Cal/ FFP, County Match, EPSDT	THU	-	\$ -	\$ -	\$ -	\$ -	\$ -
		Other/County		-	\$ -			\$ 45,000	\$ 45,000
		<b>Total</b>		<b>-</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>
Facility Purchase	N/A	Other (CHFFA)	26 Bed Facility					\$ 8,000,000	

<b>TOTAL ESTIMATE</b>	<b>9,490</b>	<b>\$ 100.95</b>	<b>\$ -</b>	<b>\$ -</b>	<b>958,015.50</b>	<b>\$ 9,003,015.50</b>
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Level of Care: Behavioral Health THU  
 Program Type: Forensic Diversion & Reintegration THU  
 NOTE: Please note this is a working budget until actuarial cost are incurr

**FIRST AMENDMENT TO RESOLUTION NO. CSI 2023-02**

**A RESOLUTION OF THE CALIFORNIA HEALTH  
FACILITIES FINANCING AUTHORITY APPROVING  
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER  
THE COMMUNITY SERVICES INFRASTRUCTURE GRANT PROGRAM  
TO THE COUNTY OF SANTA CLARA**

WHEREAS, The California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Community Services Infrastructure Grant Program (Welf. & Inst. Code § 5848.51) to implement the Community Services Infrastructure Grant Program (Cal. Code Regs., tit. 4 § 7413 et seq.) to award grants for capital funding to expand local resources for the development, capital, equipment acquisition, and applicable program startup or expansion costs to increase capacity for client assistance and services for jail diversion programs; and

WHEREAS, The County of Santa Clara (“Grantee”) qualifies as an eligible entity under Welfare and Institutions Code section 5848.51(h); and

WHEREAS, Authority staff reviewed the Grantee’s application against the eligibility requirements of the Community Services Infrastructure Grant Program, and pursuant to the Community Services Infrastructure Grant Program and implementing regulations, recommends the approval of a grant in an amount not to exceed \$2,000,000.00 for the eligible project (the “Project”), as described in the Grantee’s application;

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

Section 1. The Authority hereby approves a grant for capital costs in a total amount not to exceed \$2,000,000.00 to the Grantee to complete the Project as described in the Community Services Infrastructure Grant Program application and Exhibit A to this Resolution (Exhibit A is here by incorporated by reference), by June 30, 2025, the end of the grant period. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating the Project shall be open and operational by November 31, 2024, and funding shall not be disbursed if the Grantee is unable to provide evidence acceptable to Authority staff. The Grantee shall submit all capital cost disbursement requests, including required supporting documentation, to the Authority by March 31, 2025.

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

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

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

(c) Execute and deliver to the Grantee any and all documents necessary to complete the transfer of moneys that are consistent with the Community Services Infrastructure Grant Program.

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

Section 4. All funding from this grant shall be used in support of the Grantee's jail diversion Project, as described in the Community Services Infrastructure Grant Program application and Exhibit A to this Resolution.

Section 5. This Resolution shall repeal on June 30, 2025, unless extended by action of the Authority prior to that date.

Date Approved: \_\_\_\_\_

## EXHIBIT A

### PROJECT DESCRIPTION

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

~~The~~ Utilizing the combined funding awarded through Resolution No. CSI 2023-03 and this resolution, Resolution No. CSI 2023-02, the County must develop a new combined jail diversion facility, with at least 26-beds, to provide mental health treatment. As a condition of funding, the grant can only fund eligible costs of projects, or portions of projects, implementing Jail Diversion Programs that provide on-site treatment services to the Target Population of Justice-Involved Individuals as defined under California Code of Regulations, title 4, section 7413(p), (q), (r), and (y) of the Community Services Infrastructure Grant Program regulations. This resolution is subject to the approval of Resolution No. CSI 2023-03, which may be voted upon separately.

### Summary of Amount:

Project	Approved Grant Amount
SCC BHSD-Forensic, Diversion & Reintegration (FDR) Division Transitional Housing Unit	\$ 2,000,000.00

**Total**      \$      **2,000,000.00**

**FIRST AMENDMENT TO RESOLUTION NO. CSI 2023-03**

**A RESOLUTION OF THE CALIFORNIA HEALTH  
FACILITIES FINANCING AUTHORITY APPROVING  
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER  
THE COMMUNITY SERVICES INFRASTRUCTURE GRANT PROGRAM  
TO THE COUNTY OF SANTA CLARA**

WHEREAS, The California Health Facilities Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Community Services Infrastructure Grant Program (Welf. & Inst. Code § 5848.51) to implement the Community Services Infrastructure Grant Program (Cal. Code Regs., tit. 4 § 7413 et seq.) to award grants for capital funding to expand local resources for the development, capital, equipment acquisition, and applicable program startup or expansion costs to increase capacity for client assistance and services for jail diversion programs; and

WHEREAS, The County of Santa Clara (“Grantee”) qualifies as an eligible entity under Welfare and Institutions Code section 5848.51(h); and

WHEREAS, Authority staff reviewed the Grantee’s application against the eligibility requirements of the Community Services Infrastructure Grant Program, and pursuant to the Community Services Infrastructure Grant Program and implementing regulations, recommends the approval of a grant in an amount not to exceed \$6,000,000.00 for the eligible project (the “Project”), as described in the Grantee’s application;

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

Section 1. The Authority hereby approves a grant for capital costs in a total amount not to exceed \$6,000,000.00 to the Grantee to complete the Project as described in the Community Services Infrastructure Grant Program application and Exhibit A to this Resolution (Exhibit A is here by incorporated by reference), by June 30, 2025, the end of the grant period. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating the Project shall be open and operational by November 31, 2024, and funding shall not be disbursed if the Grantee is unable to provide evidence acceptable to Authority staff. The Grantee shall submit all capital cost disbursement requests, including required supporting documentation, to the Authority by March 31, 2025.

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

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

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

(c) Execute and deliver to the Grantee any and all documents necessary to complete the transfer of moneys that are consistent with the Community Services Infrastructure Grant Program.

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

Section 4. All funding from this grant shall be used in support of the Grantee's jail diversion Project, as described in the Community Services Infrastructure Grant Program application and Exhibit A to this Resolution.

Section 5. This Resolution shall repeal on June 30, 2025, unless extended by action of the Authority prior to that date.

Date Approved: \_\_\_\_\_

## EXHIBIT A

### PROJECT DESCRIPTION

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

~~The Utilizing the combined funding awarded through Resolution No. CSI 2023-02 and this resolution, Resolution No. CSI 2023-03, the~~ County must develop ~~three~~ a new combined jail diversion ~~facilities~~ facility, with at least 26-beds, to provide mental health treatment. As a condition of funding, the grant can only fund eligible costs of projects, or portions of projects, implementing Jail Diversion Programs that provide on-site treatment services to the Target Population of Justice-Involved Individuals as defined under California Code of Regulations, title 4, section 7413(p), (q), (r), and (y) of the Community Services Infrastructure Grant Program regulations. This resolution is subject to the approval of Resolution No. CSI 2023-02, which may be voted upon separately.

### Summary of Amount:

Project	Approved Grant Amount
SCC BHSD-Forensic, Diversion & Reintegration (FDR) Division Transitional Housing Unit	\$ 6,000,000.00
<b>Total</b>	<b>\$ 6,000,000.00</b>