



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Behavioral Wellness
Department No.: 043
For Agenda Of: November 5, 2024
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Antonette Navarro, LMFT, Director
Director(s) Department of Behavioral Wellness, (805) 681-5200
Contact Info: Laura Zeitz, Assistant Director, Inpatient/Crisis and
Access/Homeless and Housing/Justice, Behavioral Wellness,
(805) 681-5200

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SUBJECT: Resolution Authorizing Application for California Department of Health Care Services (DHCS) Bond Behavioral Health Continuum Infrastructure Program (BHCIP) Round 1 Launch Ready Program Grant Funds

County Counsel Concurrence

As to form: Yes

CEO Concurrence:

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

a) Adopt a Resolution that:

i) Authorizes and directs the County’s submission of multiple applications (**Applications**) for the California Department of Health Care Services (**DHCS**) Bond Behavioral Health Continuum Infrastructure Program (Bond BHCIP) Round 1 Launch Ready Program (**Program**) grant funds being administered by Advocates for Human Potential, Inc. for new construction and expansion of services at a location to be determined within the Second Supervisorial District and at a location to be determined within the Fifth Supervisorial District; and

ii) If one or more Applications are approved, authorizes and directs the Director of the Department of Behavioral Wellness or designee to execute the Program Funding Agreement for the total award amount and all other documents required or deemed necessary or appropriate to secure Bond BHCIP Round 1 grant funds and participate in the Bond BHCIP Program.

- b) Direct the Director of the Department of Behavioral Wellness, or designee to return to the Board for further direction prior to exercising the authority delegated under Recommended Action item a) ii) above.
- c) Determine that the above actions are government funding mechanisms or other government fiscal activities that do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment and are organizational or administrative activities of the government that will not result in direct or indirect physical changes in the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) and (b)(5) of the CEQA Guidelines and are otherwise activities that are exempt from CEQA review per CEQA Guidelines section 15061(b)(3) since it can be seen with certainty that there is no possibility the recommended actions may have a significant effect on the environment.

Summary Text:

The California Department of Health Care Services (**DHCS**), through its contractor Advocates for Human Potential, Inc. (**AHP**), has issued a Request for Applications dated July 15, 2024 (**RFA**), for the Bond BHCIP Round 1 Launch Ready Program (“**Program**”). AHP has issued the RFA for Program grant funds pursuant to Welfare and Institutions Code Sections 5965-5967.01 (**Behavioral Health Infrastructure Bond Act of 2024**). The Department of Behavioral Wellness (**BWell**) desires to apply for Program grant funds and submit two separate Applications for funding.

The County’s Applications are currently in development and not yet finalized. While the Applications are still in development and BWell is still seeking stakeholder input, it is anticipated that one Application will support the development of new BWell buildings outlined in the Calle Real Master Plan Phase 1 in Santa Barbara, including a new Psychiatric Health Facility (PHF), along with the expansion of the Crisis Residential Treatment and Sobering Center. It is anticipated that the other Application will support the construction of a Crisis Residential Treatment facility near the North County Jail on County owned property. The amount of funds to be requested in the Applications has not yet been finalized, nor have the final project costs. There is a 10% match for any funds requested which will be met using County owned land. The proposed Program Funding Agreement has not yet been drafted by DHCS and AHP. If funds are awarded, the Department of Behavioral Wellness will return to the Board seeking approval to execute the Program Funding Agreement and seek any additional funding required (if any), and will provide details regarding each project and its funding sources. It is anticipated that funds will be awarded in early 2025.

This item is before the Board to request a Resolution that a) Authorizes and directs the County’s submission of multiple Applications for the Program; and b) If one or more Applications are approved, authorizes and directs the Director of the Department of Behavioral Wellness or designee to execute the Program Funding Agreement for the total award amount and all other documents required or deemed necessary or appropriate to secure Bond BHCIP Round 1 grant funds and participate in the Bond BHCIP Program; and c) Authorizes the Director of the Department of Behavioral Wellness or designee to execute each Application and any documents related thereto on behalf of County for participation in the Program. The Board is also requested to direct the Director of the Department of Behavioral Wellness, or designee to return to the Board for further direction prior to exercising the authority delegated under Recommended Action item a) ii) above.

Background:

In March 2024, California voters passed Proposition 1, which was a two-bill package including the Behavioral Health Services Act (**BHSA**) (Senate Bill 326) and the Behavioral Health Infrastructure Bond Act of 2024 (**BHIBA**) (Assembly Bill 531). The BHIBA portion is a \$6.38 billion general obligation bond to develop an array of behavioral health treatment, residential care settings, and supportive housing to help provide appropriate care facilities for individuals experiencing mental health and substance use disorders.

Of the total bond amount, DHCS is authorized to award up to \$4.393 billion to construct, acquire, and rehabilitate real estate assets or to invest in needed infrastructure to expand the continuum of behavioral health treatment resources to build new capacity or expand existing capacity for short-term crisis stabilization, acute and subacute care, crisis residential, community-based mental health residential, substance use disorder residential, peer respite, community and outpatient behavioral health services, and other clinically enriched longer term treatment and rehabilitation options for persons with behavioral health disorders in the least restrictive and least costly setting.

This new grant program is modeled after the original Behavioral Health Continuum Infrastructure Program (BHCIP), which was launched through legislation in 2021 to address historic gaps in the State's behavioral health and long-term care continuum and to meet the growing demand for services and supports across the life span of vulnerable individuals in need. It provided 5 rounds of funding in 2021-2023 to cities, counties, tribal entities, nonprofit and for-profit organizations. The Behavioral Health Infrastructure Bond Act of 2024 has now been added to the original legislation. The Bond BHCIP Round 1: Launch Ready Program funding round will total up to \$3.3 billion with up to \$1.5 billion open only to counties, cities and tribal entities, to be awarded competitively and up to \$1.8 billion open to counties, cities and tribal entities, as well as non-profit and for-profit organizations, with these funds awarded competitively, within an allocation set for each region to ensure geographic equity.

DHCS has now released its Bond BHCIP Round 1: Launch Ready Program grant Request for Applications (**RFA**). The deadline for applications to be submitted is December 13, 2024 and funds will be awarded in early 2025.

The State priorities for Bond BHCIP are to:

- Address urgent needs in the care continuum for people with mental health or substance use conditions, including unhoused people, veterans, older adults, adults with disabilities, and children and youth.
- Invest in behavioral health and community care options that advance health equity of behavioral health care and community options.
- Increase options across the life span that serve as an alternative to incarceration, hospitalization, homelessness, and institutionalization.
- Meet the needs of vulnerable populations with the greatest barriers to access, including people experiencing unsheltered homelessness and justice involvement.
- Ensure care can be provided in the least restrictive settings to support community integration, choice, and autonomy.
- Leverage county and Medi-Cal investments to support ongoing sustainability.
- Leverage the historic state investments in housing and homelessness.

Eligible facility types include options for mental health and substance use services, including inpatient and outpatient options. As part of the Applications, BWell will develop a five-year Pro Forma to outline the sustainability of programs to be delivered at the sites outlined in the Applications.

Performance Outcomes:

In the event funds are awarded, BWell would be required to submit progress reports and other information to AHP (the grant administrator) and DHCS pursuant to the terms of the Program Funding Agreement once it is drafted and executed on behalf of the County.

Fiscal and Facilities Impacts:

There are no fiscal or facilities impacts associated with the submission of Applications. The amount of funding to be requested is unknown at this time. If funds are awarded, the Department of Behavioral Wellness will return to the Board seeking approval to execute the Program Funding Agreement and seek any additional funding required (if any), and will provide details regarding each project and its funding sources.

Key Contract Risks

There are no contract risks associated with submitting the Applications for funding other than potential liability and indemnification obligations in the event of a breach of the certifications submitted with the Applications, or otherwise arising from inaccuracies in the Applications or their failure to comply with the terms of the Program.

Special Instructions:

Please email one (1) minute order and one (1) executed Resolution to Michael Purvis at mpurvis@sbcbswell.org, and the Behavioral Wellness Contracts Division at bwelcontractsstaff@sbcbswell.org.

Attachments:

Attachment A: Bond BHCIP Round 1 Launch Ready Program Resolution

Authored by:

Michael Purvis