



Board Agenda Item 34

DATE: October 21, 2025

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health

SUBJECT: Resolution for the Submittal of Grant Application and Participation in Behavioral Health Continuum Infrastructure Program

RECOMMENDED ACTION(S):

1. **Make a finding that it is in the best interest of the County to waive the provision of Administrative Policy No. 27 that requires grant applications to be reviewed and approved by the Board before submitting to the funding agency, or submitted contingent on Board approval, due to the need to develop a thorough response within a short timeframe and as the competitive area for Behavioral Health Continuum Infrastructure Program Round 2 Unmet Needs is statewide;**
2. **Adopt Resolution authorizing the Director of the Department of Behavioral Health to submit a grant application to the California Department of Health Care Services, through its contractor Advocates for Human Potential, Inc., and to Participate in the Behavioral Health Continuum Infrastructure Program for 2025, Round 2 totaling up to \$53,472,250;**
3. **Approve and authorize the Director of the Department of Behavioral Health, or designee, to be the signatory on behalf of the Board of Supervisors on associated grant applications and all grant documents; and**
4. **Authorize the Chairman to execute letters in support of all Department applications for the state's Behavioral Health Continuum Infrastructure Program for 2025, Round 2.**

There is no Net County Cost associated with the recommended actions. Approval of the first recommended action would waive Administrative Policy 27, forgoing Board review and approval of the completed application before it is submitted. This would allow the Department of Behavioral Health (Department) sufficient time to respond to the official application. Approval of the second recommended action would authorize the submittal of the fourth of four (4) grant application to the California Department of Health Care Services (DHCS) and approve participation in the Behavioral Health Continuum Infrastructure Program (BHCIP) for 2025 Round 2 Unmet Needs. Your Board's adoption of a Resolution to submit an application and participate in BHCIP is a minimum requirement for the application. Approval of the third recommended action would authorize the Department's Director, or designee, to be the signatory on behalf of the Board of Supervisors on the associated grant application and all grant documents. Approval of the fourth recommended action will authorize the chairman to sign letters in support of the Department applying for BHCIP 2025 Round 2 Unmet Needs grant funding. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may direct the Department to forgo applying for BHCIP Round 2 grant funding; however, the Social Rehabilitation Facility (SRF) project would not move forward until a funding source could be identified, and the Department's ability to reduce the gap in the continuum of care would be limited. If the second and

fourth recommended actions are not approved, the Department will not meet all the minimum requirements of the Request for Application (RFA) nor be able to execute and submit the applications and all grant documents necessary to be considered for funding. If the third recommended action item is not approved, the Department will not be able to meet the deadline requirement of October 28, 2025, for grant submittal of the 4th application.

FISCAL IMPACT:

There is no increase in Net County Cost associated with these actions. The Department will submit an application to request grant funding for the fourth of four (4) project award locations for the SRF on Temperance for a total amount not to exceed \$53,472,250. The County will be providing a 10% (\$5,347,225) match for this project award request and will be funded by a combination of Mental Health Services Act (MHSA) from Capital Facilities and Technological Needs (CFTN), Opioid Settlement Funds (OSF), and Realignment. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2025-26 Adopted Budget and will be included in future budget requests for the duration of the grant funding period.

DISCUSSION:

In March 2024, Proposition 1 passed in California, which is 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 amount, DHCS will distribute up to \$4.4 billion in bond funding for BHCIP competitive grants.

DHCS issued an RFA on May 30, 2025, for the BHCIP Round 2 2025 Unmet Needs Program. BHCIP prioritizes regional models or collaborative partnerships, including public-private partnerships, aimed at constructing, renovating, and/or expanding community-based services, with a focus on peer respite, social rehabilitation, and crisis stabilization. DHCS also aims to distribute grant funds to rural/remote areas with outstanding behavioral health needs or insufficient behavioral health infrastructure and geographic areas with no prior BHCIP infrastructure projects.

The Department intends to submit four (4) applications for project award grant funding during Round 2. On October 7, 2025, your Board approved the submittal of three (3) of the four (4) applications. The first application is for the construction of a Crisis Residential Treatment (CRT) facility near Temperance and Kings Canyon. The second application is for the construction of a CRT at the Heritage Centre, and the third application is for the rehabilitation of a facility located on the Olive campus to create a Support and Short Stay (SASS) facility. This fourth application is being brought before your Board at this later date due to the timing of real property negotiations, as the fourth application includes the acquisition of real property.

The fourth project grant application is for the SRF facility on Temperance and Kings Canyon in Fresno. The overall goal of the Department is the expansion and the capacity for future growth of behavioral health services and resources to better meet the needs of persons served. The SRF application proposes to acquire real property and construct a new facility, licensed as a Social Rehabilitation Facility, at 6744 E Kings Canyon Rd, Fresno, CA 93727. The construction of this facility would allow the County to provide 24-hour-a-day nonmedical care and supervision in a group setting to adults recovering from mental illness who temporarily need assistance, guidance, or counseling. Services provided to persons served help develop the skills necessary to transition back to living independently within their communities. The Department intends to further develop this property to construct additional buildings and expand behavioral health care to create a warm and healing community for those we serve with mental health and/or substance use disorders.

If awarded grant funding, the County will be required to add a 30-year building use deed restriction for the

provision of behavioral health services in the financed facility. Awarded funding would allow for the construction, acquisition, and/or rehabilitation of real estate assets to expand the continuum of behavioral health treatment and service resources.

The RFA has several minimum requirements for an application to be considered for funding. One of the requirements is a resolution from the Board authorizing the submittal of grant applications to DHCS and participation in BHCIP for 2025, Round 2. The County will not be considered for the application if it is still pending Board approval. The Department was provided access to the application after submitting the Pre-Application Consultation applications on August 29, 2025. As the competitive area for Round 2 is statewide, the Department needs time to develop four (4) thorough and extensive responses to maximize our chances of being conditionally awarded funding. The application's questions will change based on the type of facility applied for. A copy of the application template is attached for your Board's review. Once the application is finalized, the Department will provide copies to the Board.

Another requirement of the grant applications is that the County provide a signed letter of support from the Board. This action was inadvertently excluded from your Board's approval of the other three BHCIP applications on October 7, 2025. The fourth recommended action would authorize the Chairman to execute letters of support for all four BHCIP applications.

Approval of the recommended actions would authorize the submittal of the fourth of four (4) grant applications to DHCS and approve participation in BHCIP for the 2025 Round 2 Unmet Needs Program to expand behavioral health service resources within Fresno County. The recommended actions would also authorize the chairman to sign letters of support for all BHCIP applications being submitted for Round 2. Should the County be awarded, BHCIP funding agreements will be brought to your Board for approval later.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board will be notified of the Amendment during the October 2025 Behavioral Health Board meeting.

REFERENCE MATERIAL:

BAI #30 - October 7, 2025

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution
On file with Clerk - R2 Grant Application Template
On file with Clerk - Board Letter of Support - CRT - Heritage
On file with Clerk - Board Letter of Support - CRT - Temperance
On file with Clerk - Board Letter of Support - SRF - Temperance
On file with Clerk - Board Letter of Support - SASS - Olive

CAO ANALYST:

Dylan McCully