



Board Agenda Item 30

DATE: October 7, 2025

TO: Board of Supervisors

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

SUBJECT: Resolution for the Submittal of Grant Applications 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 three (3) thorough responses 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 up to three (3) grant applications 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 \$69,095,000; and**
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.**

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 applications before they are submitted. This would allow the Department of Behavioral Health (DBH) sufficient time to respond to the official applications. Approval of the second recommended action would authorize the submittal of up to three (3) grant applications 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 apply and participate in BHCIP is a minimum requirement for the applications. 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 associated grant applications and all grant documents. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may direct the Department to return on October 21, 2025, with the mostly completed applications for approval to the extent that the Department has been able to fill them out prior to the application due date of October 28, 2025. Your Board may direct the Department to forgo applying for BHCIP Round 2 grant funding; however, for the Support and Short Stay (SSS) facility project, the Department would be unable to expand the Olive campus as described in future plans in the Bond BHCIP Round 1 application. The Crisis Residential Treatment Facility (CRT) on Temperance, the CRT at Heritage, would not move

forward until a funding source could be identified, and the Department's ability to further lessen the gap in the continuum of care would be limited.

If the second recommended action is 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.

FISCAL IMPACT:

There is no increase in Net County Cost associated with these actions. The Department will submit applications to request grant funding for up to four projects award locations, a total not to exceed \$69,095,000. The first project award request is for the CRT at Temperance in the amount of \$34,775,000. The second project award request is for the CRT at the Heritage Centre in the amount of \$25,090,000. The third project award request is for an SSS at the Olive Campus in the amount of \$9,230,000. The County will be providing a 10% (\$6,909,500) match for these project award requests 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 (SR), 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 three (3) applications for project award grant funding during Round 2. These project grant applications are for the CRT at Temperance, the CRT at Heritage, and the SSS at Olive. DBH's overall goal is the expansion and the capacity for future growth of behavioral health services and resources to better meet the needs of persons served.

The first application is for the construction of a CRT at Temperance. This application proposes to construct a new facility, licensed as an SR facility, at the northwest corner of Temperance and Kings Canyon in Fresno, CA, expanding the County's capacity to offer CRT services to persons served by adding 16 beds to the continuum of care. The second application is for the construction of a CRT at Heritage. This application proposes to construct a new facility, licensed as an SR facility, at the northwest corner of Shields and Millbrook in Fresno, CA, expanding the County's capacity to offer CRT services to persons served by adding 16 beds to the continuum of care. The construction of these locations would allow the County to provide additional CRT services and resources to persons served who are experiencing an acute psychiatric crisis or episode, which would be provided as an alternative to hospitalization. Services include but are not limited to assessment, plan development, therapy, rehabilitation, collateral, and crisis intervention with the intention to help people restore, preserve, and apply interpersonal and independent living skills and to assist in the development of a personal community support system. The third application, for an SSS, proposes to rehabilitate an existing facility currently owned by the County, located at 5520 E Hedges Ave, Fresno, CA

93727. This application proposes to add 10 residential mental health beds, expanding the continuum of behavioral health treatment in Fresno County. The renovation of the SSS location would allow the County to provide additional short-stay 24/7 services as an alternative to hospitalization for adults and older adults who are experiencing severe mental health crises but are not in need of medical services and do not require a 5150 hold. The facility would also proactively divert individuals from acute crisis by providing a supportive short-stay peer-driven environment designed to reduce homelessness and reduce reliance on more costly acute care settings.

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 Consultations apps on August 29, 2025. As the competitive area for Round 2 is statewide, the Department needs time to develop three (3) thorough and extensive responses to maximize our chances of being conditionally awarded funding. Each 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 applications are finalized, the Department will provide copies to the Board.

Approval of the recommended actions would authorize the submission of up to three 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. Should the County be awarded, BHCIP funding agreements will be brought to your Board for approval at a later date.

OTHER REVIEWING AGENCIES:

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

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution
On file with Clerk - R2 Grant Application Template

CAO ANALYST:

Dylan McCully