



# Board Agenda Item 39

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DATE: June 30, 2026

TO: Board of Supervisors

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

SUBJECT: Amendment No. 1 to the Agreement with RH Community Builders, LP for Behavioral Health Bridge Housing Program Services

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute Amendment No.1 to Agreement No. 23-627 with RH Community Builders, LP, for the provision of Behavioral Health Bridge Program services, effective upon execution with no change to the term of July 1, 2023, through June 30, 2027, and increasing the maximum compensation by \$1,434,963 to a total of \$40,933,333.**

There is no additional Net County Cost associated with the recommended action, which will amend Agreement No. 23-627 (Agreement) with RH Community Builders, LP (RHCB) to allow the Department of Behavioral Health (Department) to expand the Behavioral Health Bridge Housing (BHBH) program by 60 units, by adding a new service location, the Ambassador Inn, located at 1804 W. Olive Avenue, Fresno, CA 93728. Although this item pertains to locations in District 1, the impact is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, the Department will lose an opportunity to increase program capacity by 60 additional units and maximize the use of available grant dollars. Any grant funds that are not spent during the performance period will revert back to the granting authority, and the Department risks becoming ineligible for the grant funding in following years.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The current Agreement budget is projected to be underspent by 2.4 million, allowing for the expansion of operating services. The increased maximum compensation is fully offset with Behavioral Health Bridge Housing grant dollars and requires no County match. This additional amount was awarded to the County initially but was not included in the maximum compensation of the vendor contract. There are zero infrastructure dollars needed for expansion.

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 term.

DISCUSSION:

Through the BHBH Program, the Department of Health Care Services (DHCS) provides \$1.5 billion in funding statewide to operate bridge housing to address the immediate and sustainable housing needs of people experiencing homelessness who have a serious mental illness (SMI) and/or substance use disorder

(SUD). The BHBH Program, which was signed into law in September 2022 under Assembly Bill (AB) 179 (Ting, Chapter 249, Statutes of 2022), provides funding through June 30, 2027.

Senate Bill 1338 established the Community Assistance, Recovery, and Empowerment (CARE) Program, added Section 5982(b) to the Welfare and Institutions Code (WIC) to stipulate that CARE Program participants be prioritized for any appropriate bridge housing funded by the BHBH Program. Funds from the BHBH Program will be used for bridge housing to build collaboration, increase resources, and fill gaps by addressing the housing needs of individuals experiencing both homelessness and a serious behavioral health condition (SMI, SUD, or both).

On February 21, 2023, DHCS released the initial non-competitive round of Behavioral Health Bridge Housing Program Request for Applications (RFA) that will provide \$907,936,000 to California counties for use in the planning and implementation of bridge housing services for Californians experiencing homelessness who have serious behavioral health conditions (a serious mental illness and/or substance use disorder). The maximum BHBH allocation for Fresno County is \$21,833,333.

On April 27, 2023, the Department submitted an application to DHCS for the Non-Competitive Behavioral Health Bridge Housing Suspension of Competition with RH Community Builders, LP for a total of \$21,833,333 and was approved by DHCS on September 5, 2023.

On November 28, 2023, the Board approved Agreement No. 23-626 with DHCS for the Non-Competitive Behavioral Health Bridge grant allocation for \$21,833,333 and Agreement No. 23-627 with RH Community Builders for Behavioral Health Bridge Housing program services.

Approval of the recommended action will amend the Agreement with RHCB to add a service location and expand the number of program beds by 60 units, from 180 units to a total of 240 units.

The Department has notified and received approval from Human Resources of execution of the recommended amendment to comply with AB 339.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was notified of this agreement at the June 2026 meeting.

REFERENCE MATERIAL:

BAI #48, November 28, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No.1 to Agreement No. 23-627

CAO ANALYST:

Dylan McCully