



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 10/14/2025

To: County of Sonoma Board of Supervisors

Department or Agency Name(s): Department of Health Services

Staff Name and Phone Number: Nolan Sullivan, 707-565-4774; Jan Cobaleda-Kegler, 707-565-5157

Vote Requirement: Majority

Supervisory District(s): Countywide

Title:

Bond Behavioral Health Continuum Infrastructure Program Round: 2 Unmet Needs Grant Application and Board Authorizing Resolution

Recommended Action:

Approve a resolution authorizing the Director of Health Services, or their designee, to apply to the California Department of Health Care Services in response to the Bond Behavioral Health Continuum Infrastructure Program Round 2: Unmet Needs Request for Applications.

Executive Summary:

In March 2024, California voters passed Proposition 1, a two-bill package including the Behavioral Health Services Act ([Senate Bill 326 <https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB326>](https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB326)) and the Behavioral Health Infrastructure Bond Act of 2024 ([Assembly Bill 531 <https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB531>](https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB531)). The Behavioral Health Infrastructure Bond Act of 2024 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 conditions and substance use disorders. The California Department of Health Care Services is authorized to award up to \$4.4 billion in bonds for Behavioral Health Continuum Infrastructure Program competitive grants.

The California Department of Health Care Services has awarded \$3.3 billion in Bond Behavioral Health Continuum Infrastructure Program Round 1 funding. Bond Behavioral Health Continuum Infrastructure Program Round 2 is the final round of funding and approximately \$800 million is available to construct, acquire, and rehabilitate real estate assets to expand the continuum of behavioral health treatment and service resources for Californians. Responses to the Request for Applications are due no later than October 28, 2025 (Attachment 1), and a Board Authorizing Resolution is required as part of the submission (Attachment 2). The Sonoma County Department of Health Services requests authority to apply for Bond Behavioral Health Continuum Infrastructure Program Round 2 and for a Board Authorizing Resolution.

Discussion:

The mission of the Sonoma County Department of Health Services (hereinafter “DHS” or “the Department”), Behavioral Health Division is to promote recovery and wellness to Sonoma County residents and provide mental health and substance use disorder services across the spectrum, from prevention, early intervention and treatment to aftercare and recovery. The Department has a positive track record of applying and receiving

awards from the California Department of Health Care Services (DHCS). Since 2023, the County has been awarded approximately \$104 million from DHCS to provide behavioral health, mental health, substance abuse treatment, and housing to our most vulnerable community members. These awards include:

- \$67,702,227.50 - Bond Behavioral Health Continuum Infrastructure Program Round 1: Launch Ready. Notice of Conditional Award May 2025. This project will add a Substance Use Disorder Facility and Mental Health Rehabilitation Center.
- \$18,233,680 - Behavioral Health Continuum Infrastructure Program Round 5: Crisis and Behavioral Health Continuum. May 2024 - June 2027. This project will add an Adolescent Residential SUD Treatment Facility and Children's Crisis Residential Program.
- \$11,246,961 - Behavioral Health Bridge Housing Round 1. June 2023 - June 2027. This project provides transitional recovery and community re-entry housing beds for those suffering with mental illness and substance use disorders who are experiencing homelessness.
- \$7,000,000 - Behavioral Health Bridge Housing Round 3. June 2023 - June 2027. This project adds additional beds and supports for individuals who are experiencing homelessness with substance use disorder and/or serious mental illness. It is an expansion of the Round 1 project mentioned in the preceding bulleted item.

The DHCS has indicated the Bond Behavioral Health Continuum Infrastructure Program (BHCIP) Round: 2 Unmet Needs application will focus on the remaining gaps in the statewide behavioral health continuum and prioritize mental health community residential beds and crisis settings. The aim is 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. In addition, DHCS is prioritizing regional models aimed at constructing, renovating, and/or expanding community-based services. Key application criteria are outlined below:

- Projects must make a commitment to serve Medi-Cal members.
- Recipients of BHCIP awards in prior rounds, including Bond BHCIP Round 1: Launch Ready, are eligible to apply. Any additional Bond BHCIP funding awarded must be used to further expand or create new facility capacity.
- In accordance with [section 5960.15 of the California Welfare and Institutions Code <https://california.public.law/codes/welfare and institutions code section 5960.15>](https://california.public.law/codes/welfare%20and%20institutions%20code%20section%205960.15), applicants will be required to commit to operating behavioral health services in the financed facility for the intended purpose for a minimum of thirty years.
- Bond BHCIP funding may not be used to fund behavioral health services or pay for the renovation/preservation of existing capacity. Bond BHCIP funds may only fund the expansion of new behavioral health capacity.
- Local government agencies must provide a 10% match; there is a higher priority for applicants that include a higher cash match.
- There are no funding set-asides for Bond BHCIP Round 2: Unmet Needs. DHCS will competitively award funding statewide to address urgent behavioral health gaps and outstanding service capacity needs across all regions.
- Applications are due no later than October 28, 2025.

The Department is interested in applying for funding to add a Peer Respite Facility, Psychiatric Health Facility,

Mental Health Rehabilitation Center, and/or some combination of the aforementioned facilities to the County's existing continuum of care.

County's Unmet Behavioral Health Facility/Capacity Needs

Sonoma County, through a contract with Crestwood Behavioral Health, currently operates one 16-bed Psychiatric Health Facility (PHF). However, the need for acute psychiatric care remains greater than the number of available beds. Currently, the County relies on private hospitals to provide services to clients that would normally go to the PHF. This option comes at a higher cost than a County-run facility. A second 16-bed PHF would enable Sonoma County to coordinate care more effectively as well as assure high-quality care to its clients.

As part of our crisis continuum, Sonoma County operates a Crisis Stabilization Unit (CSU) for clients experiencing psychiatric crisis. Our mobile crisis teams provide support in the field to our community and facilitate 5150s to the CSU. However, many times clients do not need the level of care of a CSU and at the same time, they are not ready to return to their homes. Instead, they need an intermediary level of support to stabilize after a psychiatric crisis. Sonoma County's crisis continuum would benefit from operating a 16-bed peer respite center to support this level of care.

The County also has a growing conservatee population and limited options to meet existing and future needs. The number of conservatees increased from 175 in FY 18-19 to 198 in FY 22-23; however, the County has only been able to treat 38% of its conservatees inside the County due to the shortage of long-term treatment options. A 16-bed Mental Health Rehabilitation Center would allow the county to serve more people locally and reduce out of County costs.

DHS is working with its County partners to identify the project location, approximate costs, match, and other key application criteria in advance of the October 28, 2025, application deadline. While the Department works with its County partners on the application details, this item requests authority to apply for up to \$68 million in Bond BHCIP Round 2: Unmet Needs funding and for a Board Authorizing Resolution. This figure includes approximate costs of \$1.3 million per bed plus contingencies for overages; this aligns with similar behavioral health projects in the bay area. Should the Department be successful with its application, the details will be shared at a future Board meeting. If successful, DHS will seek Board approval before entering into an agreement for Bond BHCIP Round 2: Unmet Needs funding.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Healthy and Safe Communities

Goal: Goal 1: Expand integrated system of care to address gaps in services to the County's most vulnerable.

Objective: Objective 3: Create a "no wrong door" approach where clients who need services across multiple departments and programs are able to access the array of services needed regardless of where they enter the system.

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Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

None

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses	\$100,784		
Additional Appropriation Requested			
Total Expenditures	\$100,784		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance	\$100,784		
General Fund Contingencies			
Total Sources	\$100,784		

Narrative Explanation of Fiscal Impacts:

Approximately \$100,784 will be incurred as part of the application process. This includes \$78,643 to Sonoma Public Infrastructure for assistance with real estate, construction, and schematic portions of the application and \$22,141 to the Glenn Price Group for grant writing services. These expenses will be covered using 2011 Realignment funds and will be included as sunk costs towards the grant match.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

Attachment 1 - Resolution

Attachment 2 - Behavioral Health Continuum Infrastructure Program Round 2 Information

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Related Items “On File” with the Clerk of the Board:

None