

**COUNTY OF SAN DIEGO  
BOARD OF SUPERVISORS  
TUESDAY, JULY 16, 2024**

**MINUTE ORDER NO. 22**

**SUBJECT: RECEIVE UPDATE ON BEHAVIORAL HEALTH CAPITAL FACILITY PROJECTS RECOMMENDED FOR PROPOSITION 1 INFRASTRUCTURE BOND FUNDING AND AUTHORIZE GRANT SUBMISSIONS, AND AUTHORIZE A FORMAL PROCESS TO ISSUE LETTERS OF SUPPORT (DISTRICTS: ALL)**

**OVERVIEW**

In California, counties are responsible for administering specialty mental health and substance use services for residents eligible for Medi-Cal. In this capacity within San Diego County, the County of San Diego (County) Health and Human Services Agency, Behavioral Health Services (BHS) serves as the specialty mental health plan for Medi-Cal eligible residents with serious mental illness, and the service delivery system for Medi-Cal eligible residents with substance use disorder care needs. To ensure access to quality care that meets the needs of Medi-Cal beneficiaries in San Diego County, BHS is required to maintain a local network of behavioral health services and providers.

In March 2024, California voters passed Proposition 1 that includes the Behavioral Health Services Act (Senate Bill 326) and the Behavioral Health Infrastructure Bond Act of 2023 (Assembly Bill 531), which authorized \$6.38 billion in a general obligation bond to expand behavioral health treatment, residential care settings, and housing to support people with mental health conditions and substance use disorders. Funds from the bond will be allocated to competitive grants for facilities that provide behavioral health treatment and residential settings, including for tribal entities; housing Veterans who are homeless or at risk of homelessness with behavioral health needs; and others who are homeless or at risk of homelessness with behavioral health needs.

To inform the priorities for the Proposition 1 Infrastructure Bond funding, on April 9, 2024 (4), the Board directed the creation of a process for seeking and investing funding, informed by data, community advocates, and stakeholders, and return to the Board within 120 days with a set of priorities to inform County planning efforts for these funds. The Proposition 1 grant funding will be administered by the State in multiple funding rounds through the *Bond Behavioral Health Continuum Infrastructure Program (Bond BHCIP)* and the State preliminary guidance indicates that awards will be prioritized to counties, cities, tribal entities, nonprofit, and for-profit entities demonstrating site control, emphasizing residential treatment, and commencing service delivery in an expedient manner. Following a review of capital projects within the BHS portfolio, BHS is recommending the prioritization of several behavioral health capital projects for Proposition 1 grant funding through Bond BHCIP. These capital projects are anticipated to be the strongest candidates for grant funding based on the State's criteria and priorities, are high priorities locally, are furthest along in development, and will yield significant impact to clients in need of care in San Diego County.

Today's action requests the Board receive an update on behavioral health capital facility projects prioritized for Proposition 1 Infrastructure Bond funding and authorize the submission of Bond BHCIP grant applications for essential infrastructure projects, including the Substance Use Residential and Treatment Services facility, the new Children's Crisis Residential Care facility, and others including the Central Region Community-Based Care facility, should State and local criteria and priorities for

funding align. In addition, today's action requests the Board authorize a formal process to evaluate requests for letters of support submitted by local entities, as required for applications for Proposition 1 Infrastructure Bond funding, and issue letters of support for projects aligned with State and County priorities and criteria.

Today's action supports the County vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically left behind, as well as our ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe, and thriving communities. This will be accomplished through further strengthening the continuum of behavioral health services in San Diego County.

**RECOMMENDATION(S)**  
**CHIEF ADMINISTRATIVE OFFICER**

1. Receive an update on recommended behavioral health capital facility projects prioritized for Proposition 1 Infrastructure Bond grant funding, and authorize the Agency Director, Health and Human Services Agency, or designee, to submit grant fund proposals through the Bond Behavioral Health Continuum Infrastructure Program and Permanent Supportive Housing program for the behavioral health capital projects identified, and additional future applications for these projects or others identified as priority areas of investment, if opportunities arise.
2. Authorize the Behavioral Health Services Director to implement a formal process for the Behavioral Health Services department to evaluate requests for letters of support submitted by local entities, as required for applications for Proposition 1 Infrastructure Bond funding, and issue letters of support only for projects that meet State criteria, align with one or more State priorities, and align with County priorities.

**EQUITY IMPACT STATEMENT**

The County of San Diego Health and Human Services Agency, Behavioral Health Services (BHS) functions as the specialty mental health plan for Medi-Cal eligible residents with serious mental illness, and the service delivery system for Medi-Cal eligible residents with substance use disorder care needs within San Diego County. As a regional steward of public health, BHS must ensure services address social determinants of health by being accessible, capable of meeting the needs of a diverse population, and equitably distributed to those most in need. BHS utilizes a population health approach, evidence-based practices, robust data analysis, and input from consumers, community-based providers, healthcare organizations, and other stakeholders to identify community needs and design services that are impactful, equitable, and yield meaningful outcomes for clients. BHS conducts ongoing engagement activities, such as community outreach, focus groups, listening sessions, and key informant interviews, to ensure community input remains central to priorities and planning activities.

Establishing additional dedicated behavioral health infrastructure to support people with mental health and substance use needs who are Medi-Cal eligible is expected to yield positive outcomes for some of the most vulnerable residents in San Diego County. This will be accomplished through the development of the new Substance Use Residential and Treatment Services (SURTS), the new Children's Crisis Residential, and the new Central Region Community-Based Care (CBC) facilities. These facilities will enhance access to behavioral health care across the region for adults in need of residential substance use services, children in need of behavioral health crisis services, and adults in need of access to housing and care within a licensed board and care facility. According to the 2021 National Survey on Drug Use and Health, 94% of people aged 12 and older with a substance use disorder do not receive any

treatment. The SURTS facility will help meet the unmet and rising need for residential treatment options. In addition, development of the new Children’s Crisis Residential facility establishes a new resource for youth care not currently in place within the local behavioral health care continuum. The Central Region CBC will provide a new pathway for individuals in higher levels of care to step down into community-based care within the least restrictive setting.

**SUSTAINABILITY IMPACT STATEMENT**

Today’s proposed action supports the County of San Diego (County) Sustainability Goal #1, to engage the community in meaningful ways and continually seek stakeholder input, and Sustainability Goal #2, to ensure equitable access to County services. BHS has conducted extensive engagement activities to better understand local behavioral health needs and enhance collaboration with local partners. Through these efforts, BHS has solicited community feedback to inform department priorities, inclusive of services and infrastructure planning. Prioritizing the development of the recommended facilities will support increased capacity dedicated for children and adults with behavioral health conditions. These services will support equitable access to essential behavioral health care for Medi-Cal eligible children and adults, enabling them to be connected to the care they need.

**FISCAL IMPACT**

There is no fiscal impact associated with these recommendations. If awarded grant funding, the County of San Diego Behavioral Health Services department will return to the Board at a future date with additional recommendations. At this time, there will be no change in net County General Fund cost and no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

**ACTION:**

ON MOTION of Supervisor Lawson-Remer, seconded by Supervisor Montgomery Steppe, the Board of Supervisors took action as recommended.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: Vargas

State of California)  
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER  
Clerk of the Board of Supervisors



**Signed**  
by Andrew Potter