

REVISED MOTION BY SUPERVISORS LINDSEY P. HORVATH
AND JANICE HAHN

November 6, 2024

Bond BHCIP Round 1

As a result of the January 22, 2019, Board motion entitled, “Addressing the Shortage of Mental Health Hospital Beds,” the Health Departments led the formation of the Behavioral Health Continuum Infrastructure Program (BHCIP) Steering Committee and Workgroup to implement a County- and system-wide strategy to pursue and leverage all the California Department of Health Care Services (DHCS) BHCIP State grant funding rounds. To date, DHCS has completed Rounds one through five.

Passed in March 2024, Proposition 1 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 statewide \$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.

HOA.105030208.1

MOTION

SOLIS	_____
MITCHELL	_____
HAHN	_____
BARGER	_____
HORVATH	_____

In July 2024, DHCS announced the next BHCIP rounds Behavioral Health Infrastructure Bond Act of 2024: Behavioral Health Continuum Infrastructure Program.

There are two rounds identified:

- 2024 Round 1 - Launch Ready
- 2025 Round 2 - Unmet Needs

The Round 1 Request for Applications (RFA) was released in July 2024 and Round 2 is targeted for release in mid-2025. Round 1 aims to construct, acquire, and rehabilitate real estate assets or to invest in needed infrastructure to expand the continuum of behavioral health treatment resources to build new capacity or expand existing capacity for short-term crisis stabilization, acute and subacute care, crisis residential, community-based mental health residential, substance use disorder residential, peer respite, community and outpatient behavioral health services, and other clinically enriched longer-term treatment and rehabilitation options for persons with behavioral health disorders in the least restrictive and least costly clinically appropriate setting. BHCIP represents the largest such provision of resources for infrastructure in the State's history, and provides an unprecedented opportunity to effect meaningful, sustainable change in the behavioral health and long-term care continuums in California and the County.

Projects the County may submit proposals for include:

- Los Angeles County Care Community on the Metro State Hospital campus at \$62,610,000.
- Olive View Continuum of Care Facility at \$119,164,000.

Environmental Documentation

The recommended actions are not subject to the California Environmental Quality Act

("CEQA") because they are activities that are excluded from the definition of a project by section 21065 of the Public Resources Code and section 15278(b) of the State CEQA Guidelines. These proposed actions to pursue grant funding opportunities are an organizational or administrative activity of government which will not result in direct or indirect physical changes to the environment. If the proposed project applications are successful in receiving conditional awards of funding, the County would not be. Prior to committing to the use of funds for any activity that would be a project, all jurisdictional approvals and applicable regulations, including but not limited to, compliance with environmental review, including necessary findings under the California Environmental Quality Act (CEQA) would be required.

We, THEREFORE, MOVE that the Board of Supervisors ~~delegate authority to the Department of Mental Health (DMH) to do~~ approve the following directives:

1. Find that the proposed actions are not a project under the California Environmental Quality Act for the reasons stated in the motion and the record of the proposed activities.
2. Delegate authority to the Director of DMH, Chief Deputy Director of DMH, or either of their designees, to accept BHCIP grant funds up to an aggregate of \$181,774,000, \$62,610,000 for the proposed Los Angeles County Care Community project and \$119,164,000 for the proposed Olive View Continuum of Care Facility, awarded to the County by DHCS, or their third-party administrator, for BHCIP Round 1 funding.

3. Delegate authority to the Director of DMH, Chief Deputy Director of DMH, or either of their designees, to accept future rounds of BHCIP funding awarded to the County by DHCS, or their third-party administrator.
4. Delegate authority to the Director of DMH, Chief Deputy Director of DMH, or either of their designees, to negotiate and execute a Contract with DHCS, or their third-party administrator for Round 1 of BHCIP funding. The contract may include terms that deviate from County standard contractual terms (including but not limited to terms involving indemnification) in order to comply with the State's required terms and conditions; subject to review and approval by County Counsel, and CEO Risk Management, as needed, and notification to your Board and the CEO.
5. Delegate authority to the Director of DMH, Chief Deputy Director of DMH, or either of their designees, to negotiate and execute a Contract with DHCS, or their third-party administrator for future rounds of BHCIP funding. The contract may include terms that deviate from County standard contractual terms (including but not limited to terms involving indemnification) in order to comply with the State's required terms and conditions; subject to review and approval by County Counsel, and CEO Risk Management, as needed, and notification to your Board and the CEO.
6. Delegate authority to the Director of DMH, Chief Deputy Director of DMH, or either of their designees to amend the contracts described in Directives 3 and 4. Such amendments may include but are not limited to extending the term; adding, deleting, modifying, or replacing the Statement of Work; modifying the

amount of funding dedicated to specific projects or the total grant amount, rolling over unspent funds, and any other modifications required by DHCS or their third-party administrator. This authority includes the ability to terminate the Contract in compliance with the contract termination provisions. Any amendments or termination are subject to prior review and approval by County Counsel with notification to the Board and CEO.

7. Delegate authority to the Director of DMH, Chief Deputy Director of DMH, or either of their designees, to negotiate and execute new, and/or amend existing DMH contracts, as necessary, to support investment in the expansion of the County behavioral health and long-term care continuums construction, acquisition, rehabilitation of existing real estate assets or investment in needed infrastructure. The contracts may include terms that deviate from County standard contractual terms (including but not limited to terms involving indemnification) in order to comply with the State's required terms and conditions; subject to review and approval by County Counsel, and CEO Risk Management, as needed, and notification to your Board and the CEO.
8. Delegate authority to the Director of DMH, Chief Deputy Director of DMH, or either of their designees, to amend the Contracts described in Directive 6. Such amendments may include but are not limited to extending the term; adding, deleting, modifying, or replacing Statements of Work; modifying the amount of funding appropriated for specific projects; and/or rolling over unspent funds, and to terminate the Contracts or funded programs in existing Contracts, in compliance with the contract's termination provisions subject to prior review

and by County Counsel with notification to the Board and CEO.

#