

MOTION BY SUPERVISOR JANICE HAHN

Bond BHCIP Round 1 – Revised Cost

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.

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

MOTION

SOLIS _____

MITCHELL _____

HAHN _____

BARGER _____

HORVATH _____

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.

Environmental Documentation

On October 22, 2024, the Board approved certain actions related to the proposed LA County Care Community at Metropolitan State Hospital Project and found the project exempt from the California Environmental Quality Act (CEQA). The actions herein relate to funding for the proposed project and are not subject to 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 grant applications are successful in receiving conditional awards of fundings, the County would not be obligated to accept such funds or move forward with the project.

On November 6, 2024, the Los Angeles County Board of Supervisors (Board) passed the motion [“Bond BHCIP Round 1”](#) (Motion) that authorized the Department of Mental Health (DMH) to apply to Bond BHCIP Round 1 for two projects. After further consultation with the Department of Public Works, the anticipated cost of one of the projects, the proposed Los Angeles County Care Community (Care Community) on the Metro State Hospital Campus, is anticipated to be more than mentioned in the Motion. Today’s motion will adjust the cost allowing DMH to apply for a larger amount to meet the needs of the Care Community project.

I, THEREFORE, MOVE that the Board of Supervisors approve the following directives:

1. Find that the proposed actions are not a project under the California Environmental Quality Act (CEQA) for the reasons stated in the motion and the record of the proposed activities. Prior to committing to the use of funds for or undertaking any activity that would be a project under CEQA, DMH will ensure that environmental review and any necessary CEQA findings by the County are completed.
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 \$65,000,000 for the proposed Los Angeles County Care Community project, 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 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.

4. 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. 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.
5. 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.

#

JH:kc/cc