



Bond Behavioral Health Continuum Infrastructure Program (BHCIP) Round 2: Unmet Needs Informational Webinar

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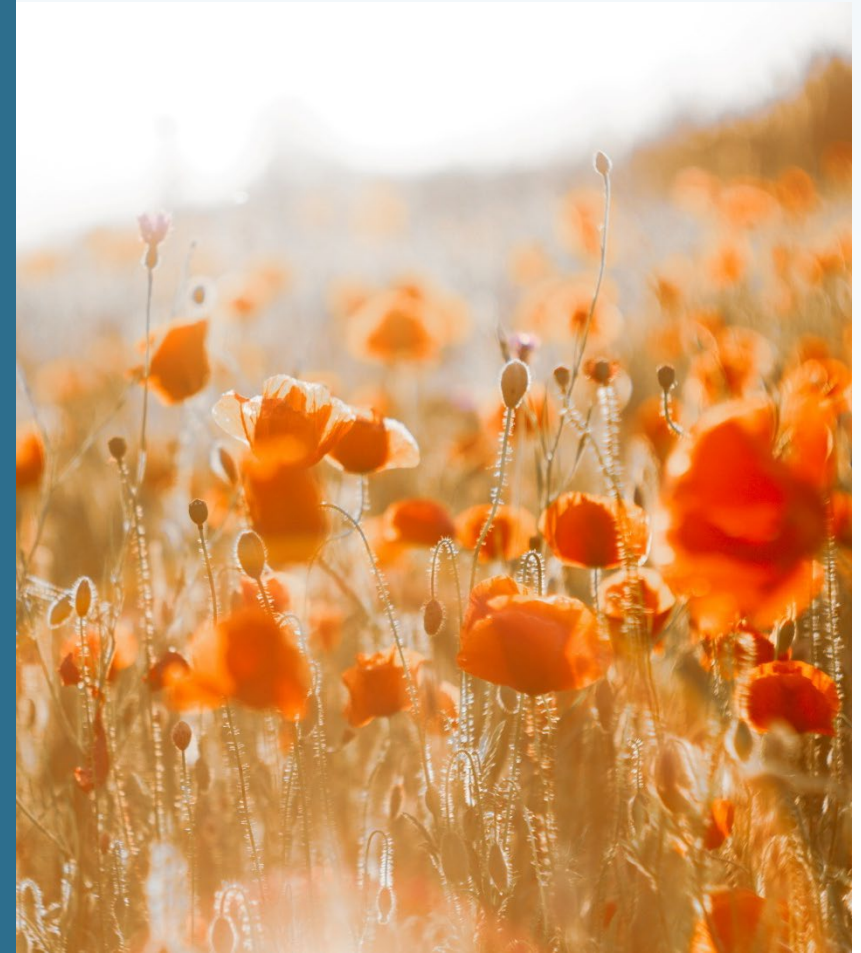
June 23, 2025

Welcoming Remarks



Kelly Cowger
Branch Chief

Behavioral Health
Expansion Branch,
Community Services
Division, Department
of Health Care
Services



Today's Agenda



Proposition 1, State Map

Statewide Needs Assessment and Initiatives

Bond BHCIP Guiding Principles and Priorities

Bond BHCIP Round 2: Unmet Needs

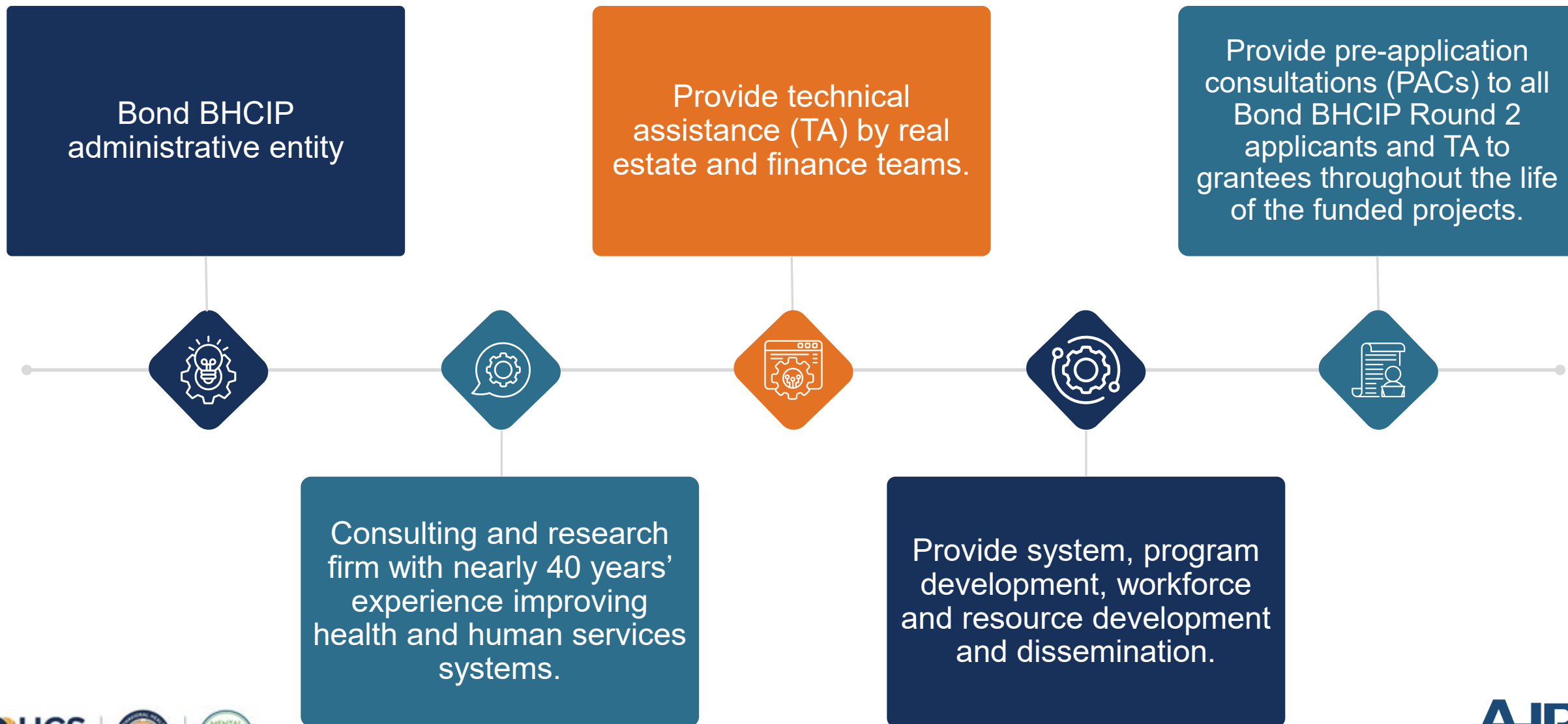
Match Requirements

Bond Requirements

Application Process

Post-Award Expectations

Advocates for Human Potential, Inc.



Proposition 1



Behavioral Health Transformation

In March 2024, California voters passed Proposition 1, a two-bill package to modernize the state's behavioral health care system, improve accountability and increase transparency, and expand the capacity of behavioral health care facilities for Californians.

Behavioral Health Services Act ([SB 326](#))

- » Reforming behavioral health care funding to provide services to those with the most serious mental illnesses and treat substance use disorders.
- » Expanding the behavioral health workforce to reflect and connect with California's diverse population.
- » Focusing on outcomes, accountability, and equity.

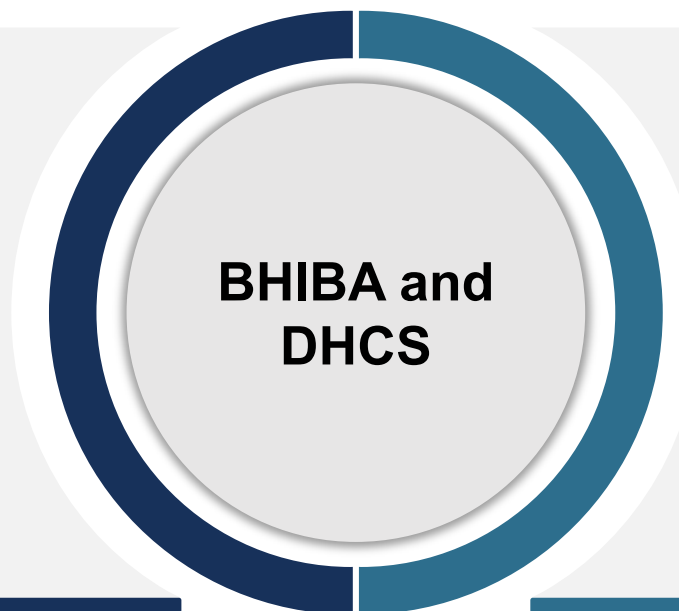
Behavioral Health Infrastructure Bond Act of 2024 (BHIBA) ([AB 531](#))

- » Funding behavioral health treatment beds, supportive housing, and community sites.
- » Directs funding for housing for veterans with behavioral health needs.

BHIBA and DHCS



The BHIBA 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 and substance use disorders.



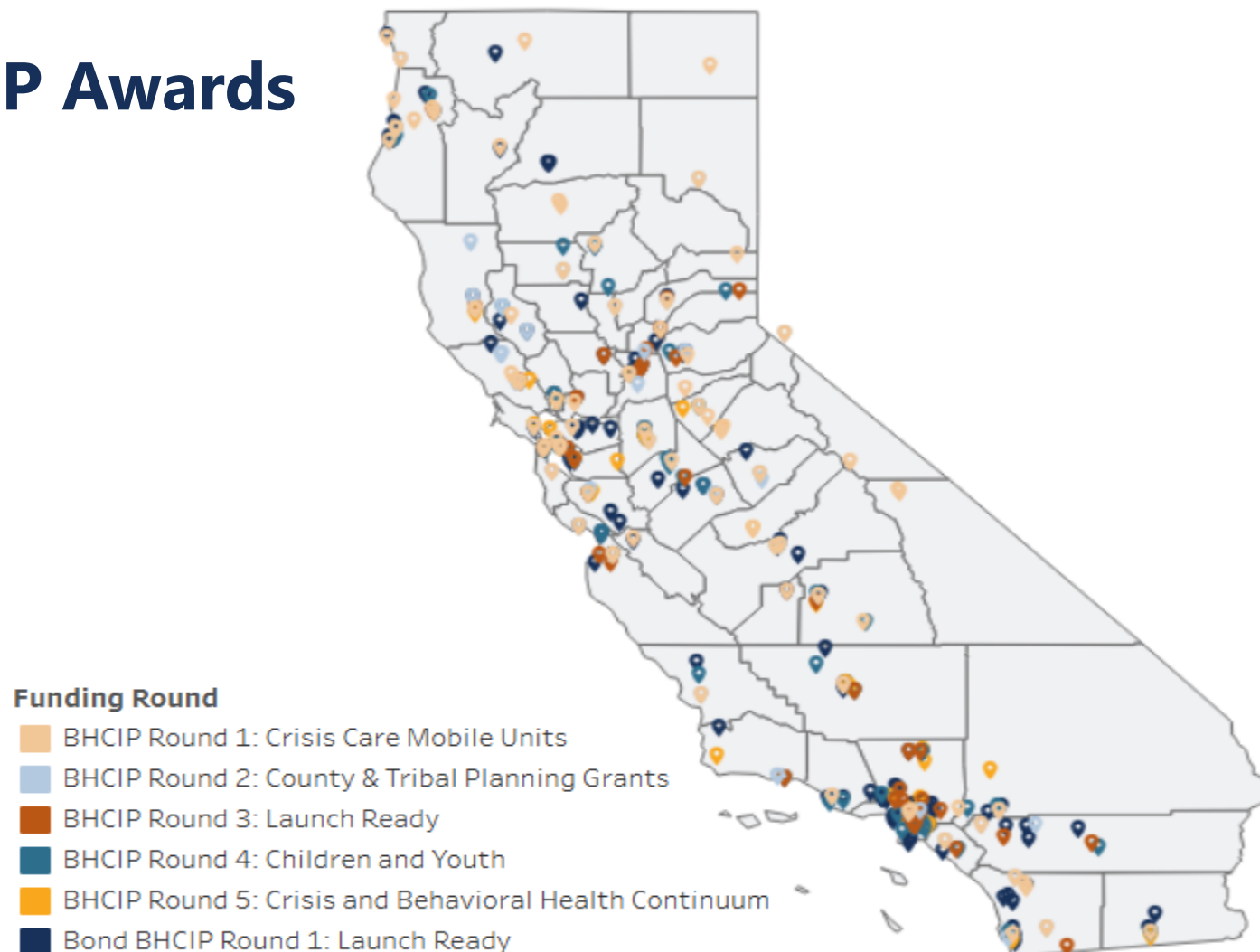
BHIBA and DHCS



Of these funds, DHCS was authorized to award up to \$4.4 billion in BHIBA funds for BHCIP competitive grants to expand behavioral health facility infrastructure.

State Map

BHCIP Awards



Point in time data as of May 2025.

[BHCIP Dashboard](#)

Statewide Needs Assessment and Initiatives



DHCS Needs Assessment

1

Released by DHCS on January 10, 2022

2

Needs assessment to provide data and stakeholder perspectives for DHCS as it implements major behavioral health initiatives and expands the behavioral health infrastructure through BHCIP

3

["Assessing the Continuum of Care for Behavioral Health Services in California"](#)

The LAO (Legislative Analyst's Office) Report

- The LAO evaluated how Proposition 1 bond funding could be strategically used to address gaps in behavioral health services.
- DHCS utilized the LAO report along with other sources to ensure Bond BHCIP Round 2: Unmet Needs funding focuses on the remaining gaps in the statewide behavioral health continuum and prioritizes mental health community residential beds and crisis settings.
- DHCS also aims 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.
- Read the report here: [Building California's Behavioral Health Infrastructure: Progress Update and Opportunities for the Proposition 1 Bond](#)

Bond BHCIP Guiding Principles and Priorities



Bond BHCIP Guiding Principles and Priorities

- **Address urgent needs in the care continuum** for people with mental health or substance use conditions, including unhoused people, veterans, older adults, adults with disabilities, and children and youth.
- **Invest in behavioral health and community care options** that advance health equity of behavioral health care and community options.
- **Increase options across the life span** that serve as an alternative to incarceration, hospitalization, homelessness, and institutionalization.
- **Meet the needs of vulnerable populations** with the greatest barriers to access, including people experiencing unsheltered homelessness and justice involvement.
- **Ensure care can be provided in the least restrictive settings** to support community integration, choice, and autonomy.
- **Leverage county and Medi-Cal investments** to support ongoing sustainability.
- **Leverage the historic state investments** in housing and homelessness.

Bond BHCIP Round: 2 Unmet Needs



Bond BHCIP Round 2: Unmet Needs Request for Applications ([RFA](#))

01

Funding Available:

- Over \$800 million in competitive grants to construct, acquire, and rehabilitate facilities that will expand service capacity for behavioral health facility infrastructure.

02

Eligible Applicant Entities:

- Counties
- Cities
- Tribal entities (“Tribal entity” shall mean a federally recognized Indian tribe, Tribal organization, or urban Indian organization, as defined in Section 1603 of Title 25 of the United States Code)
- Nonprofit organizations
- For-profit organizations

03

DHCS Focuses:

- Mental health community residential beds and crisis settings
- Rural/remote areas with outstanding behavioral health needs or insufficient behavioral health infrastructure
- Geographic areas with no prior BHCIP infrastructure projects
- Regional models aimed at constructing, renovating, and/or expanding community-based services.

Eligible Facility Types – RFA Section 2.4

Bond BHCIP Round 2: Unmet Needs Eligible Facility Types	
Mental Health Facilities	Substance Use Disorder (SUD) Facilities
Acute Psychiatric Hospital	Adolescent Residential SUD Treatment Facility
Behavioral Health Urgent Care (BHUC)/Mental Health Urgent Care (MHUC)*	Adult Residential SUD Treatment Facility
Children’s Crisis Residential Program (CCRP)	Chemical Dependency Recovery Hospital
Community Mental Health Clinic (outpatient)	Hospital-Based Outpatient Treatment (outpatient detoxification/withdrawal management)
Community Treatment Facility (CTF)	Narcotic Treatment Program (NTP)
Crisis Stabilization Unit (CSU)*	NTP Medication Unit
General Acute Care Hospital (GACH) for behavioral health services only	Office-Based Opioid Treatment (OBOT)
Mental Health Rehabilitation Center (MHRC)	Outpatient Treatment for SUD
Peer Respite*	Partial Hospitalization Program
Psychiatric Health Facility (PHF)	Perinatal Residential SUD Facility
Psychiatric Residential Treatment Facility (PRTF)	Sobering Center
Short-Term Residential Therapeutic Program (STRTP)	
Skilled Nursing Facility with Special Treatment Program (SNF/STP)	
Social Rehabilitation Facility (SRF) ^{1*}	

¹ Also referred to as Social Rehabilitation Program (SRP). California Department of Social Services licenses SRFs and DHCS provides the Social Rehabilitation Program certifications as either a Short-Term Crisis Residential Treatment Program, Transitional Residential Bond BHCIP Round 2: Unmet Needs RFA Treatment Program, or Long-Term Residential Treatment Program. The SRP is a certification and does not exist without the SRF license.

*Eligible facility types that are highly encouraged. These proposed facility types do not guarantee a Bond BHCIP award.

9 Minimum Requirements for Applicants



Site Control



Preliminary Title Report



Sustainable Business Plan/
Pro Forma



Conceptual/Schematic Site Plan



Stakeholder Support



Demonstration of County and
Medi-Cal Investments



Match

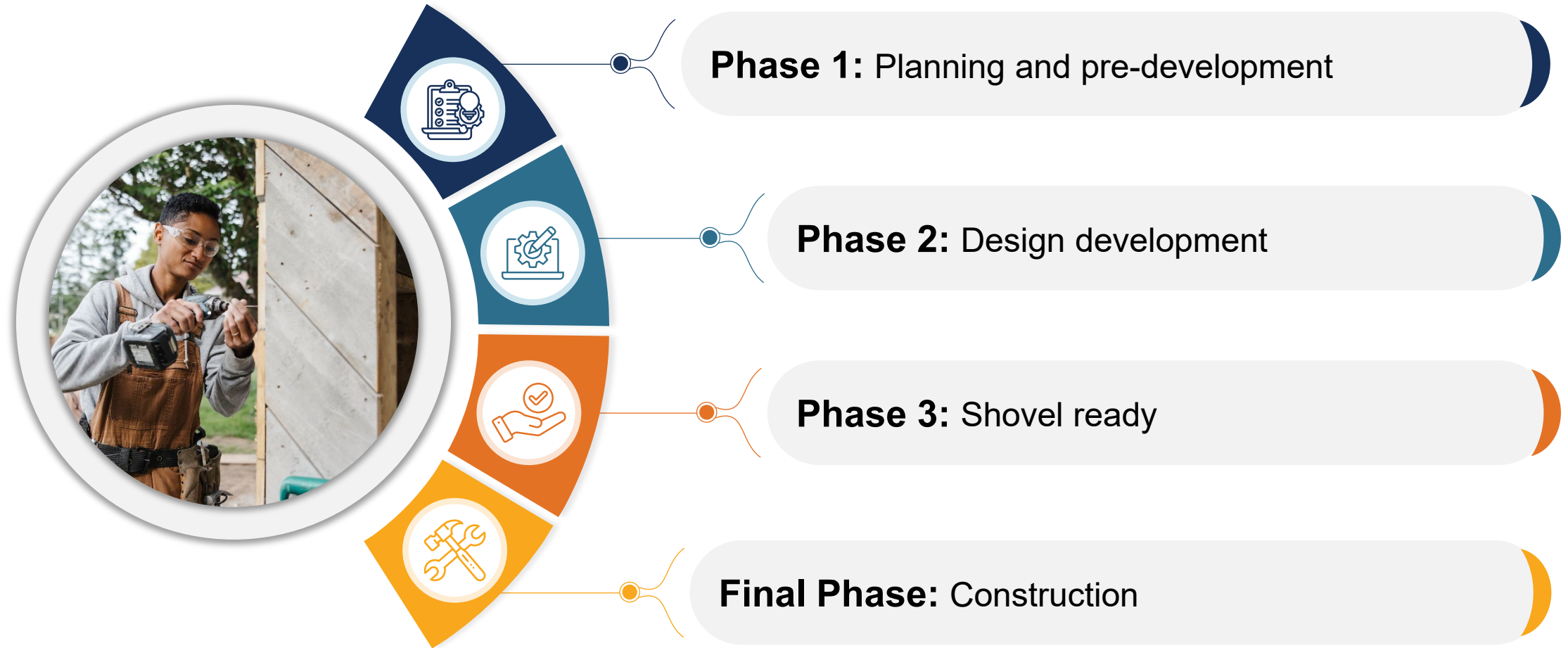


Board Authorizing Resolution



Photo of proposed property

Project Phases (RFA Section 2.2)



County and Stakeholder Support: All Applicants (RFA Section 2.1)

- Applicants must provide relevant letters of support for the proposed project. This includes stakeholder support as demonstrated by letters of support from internal boards of directors, Tribal councils or advisory boards, and professional/community partners, as relevant.
- Eligible applicants must provide a letter of support from their county behavioral health agency.
- All letters must be signed and dated ***no more than six months*** before the date of application submission.

County and Stakeholder Support: All Applicants (RFA Section 2.1) (continued)

- An LOS from the director of a county behavioral health agency is one that must indicate that the applicant commits to providing Medi-Cal behavioral health services once the financed facility's expansion or construction is complete. The LOS is still acceptable even if it does not state that a contract will be in place once construction is completed.
- All applicants governed by a CEO or board must also submit a letter of support from the CEO or board.
- For additional guidance, see RFA Attachment C: Letters of Support Guidelines
- **Form 7: Community Engagement** - Applicant has engaged with community members and other stakeholders through scheduled meetings, focus groups and surveys.

Match Requirements



What Is Match?

Cash

Cash is the strongest form of match and can come from a variety of sources, depending on the applicant. Applicants must document their ability to pledge the required match in cash, including providing bank statements and investment statements showing available cash on hand.

In-Kind Property Equity

Applicants may pledge the in-kind equity value of property where the facility will be located and if the entire assessor's parcel number (APN) of the property being pledged for match is dedicated to the new development project, so long as the property is NOT funded by BHCIP or Bond BHCIP funds.

Acquisitions made before the date of the Bond BHCIP Notice of Conditional Award can be claimed as property match if there is equity or may be claimed as sunk cost match. It can NOT be reimbursed.

Sunk Costs

Eligible expenditures directly related to the development of the proposed project may be submitted for review as sunk cost match, no later than seven (7) calendar days after the date of the Notice of Conditional Award.

Project sunk costs exceeding one (1) year prior to the date of the Bond BHCIP Notice of Conditional Award may NOT be claimed as part of the match requirement.

Sunk costs are NOT eligible for reimbursement.

Match Requirements (RFA Section 2.7)

Local Government and Nonprofit Organization	For-Profit Organization	Tribal entities
10 percent	25 percent	5 percent
Higher priority for applicants that include a higher cash match		

Total Bond BHCIP R2 Project
Funding Requested



Required Match Percentage



Match Requirement

For-Profit Example: \$10,000,000 Funding Request x 25% = \$2,500,000 Match

Cash Match (Strongest Form of Match)

- Mental Health Services Act (MHSA) funds from Community Services and Supports and Capital Facilities and Technological Needs (CFTN) components
- Behavioral Health Services Act (BHSA) funds from the Behavioral Health Services and Supports
- Foundation/philanthropic support
- [Opioid settlement funds](#) (SUD facilities only)
- Incentive payments from managed care plans

Bond Requirements



Bond Funding

Bond BHCIP: Launch Ready Projected Funding Schedule and Cash Flow Management

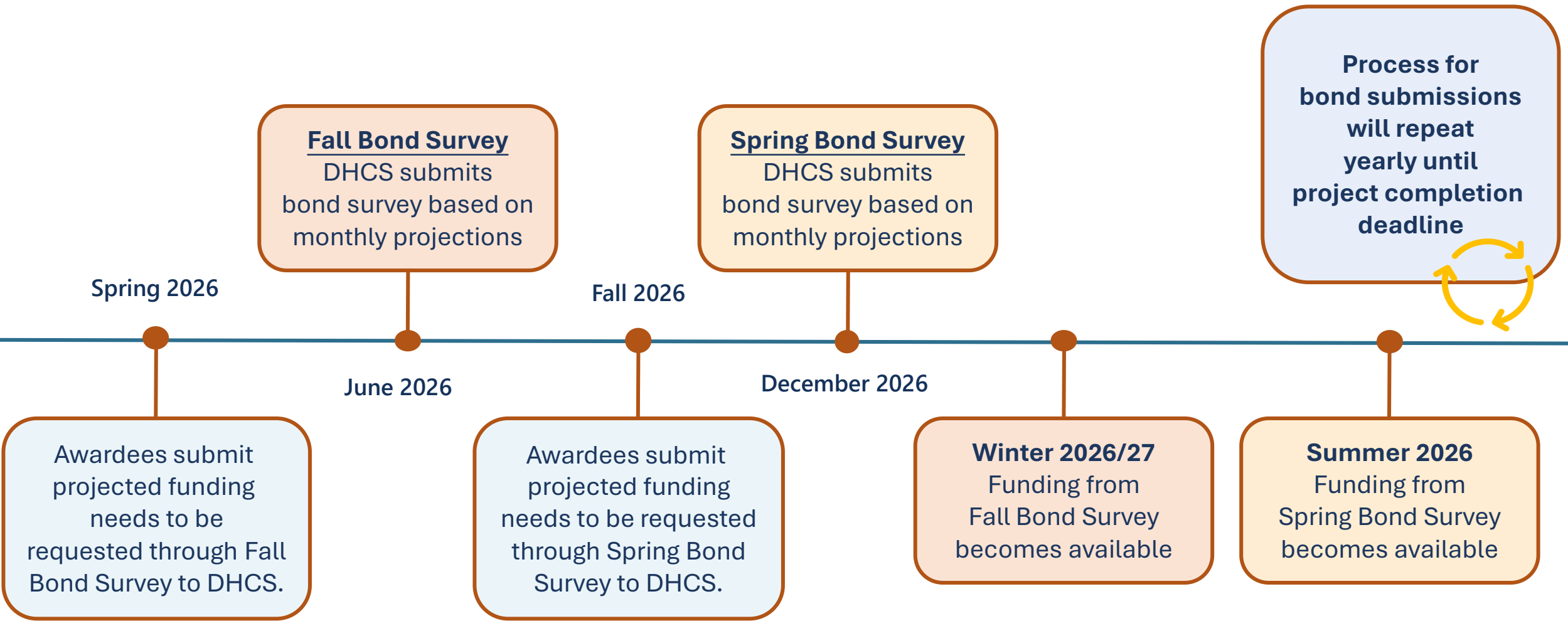
Conditional awardees must submit an accurate, detailed estimate of their project's monthly funding needs for the entire life of the project period **no later than the 15th of each month.**

Ongoing Bond BHCIP funding in any month period is **dependent on the accuracy of each awardee's projected funding needs** and requires final approval from the State Treasurer's Office.

Bond BHCIP funding received based on bond survey submittals must be spent **within three (3) years of the date of issuance.**

Overall awarded funding for Bond BHCIP must be fully expended **within five (5) years of receipt of the Notice of Conditional Award.**

Estimated Timeline for General Obligation Bond Submissions



Bond Funding Requirements

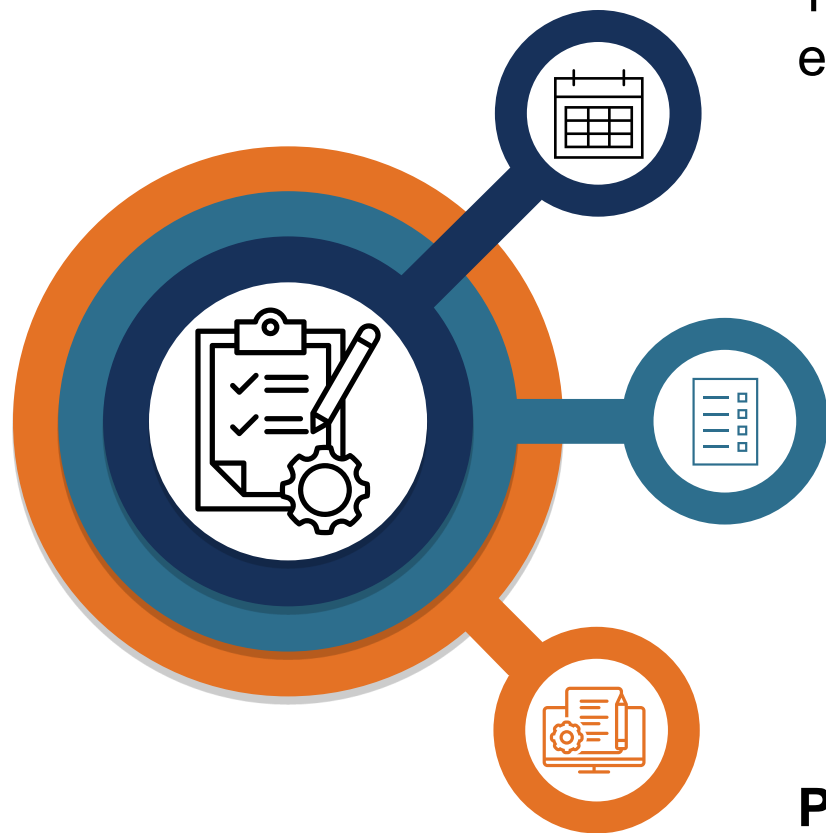
Funding Timeline

Two opportunities every year to request funding for anticipated expenditure needs:

1. Spring Bond Survey
2. Fall Bond Survey

35-Year Record Retention Requirement

Project Progress and Funding Expenditure Reporting



Application Process



Application Timeline

Request for Applications (RFA) release	May 30, 2025
General Informational Webinar	June 23, 2025, 1:00 p.m. PT
Tribal informational webinar— register here	June 24, 2025, 2:00 p.m. PT
Application Release	First Part of July, 2025
Deadline to schedule a required pre-application consultation (PAC)	August 29, 2025
PAC window	June 26 – October 1, 2025
Office Hours (recommended PAC be completed first)	Schedule Time Slot (ends October 23, 2025)
Application deadline	October 28, 2025, 5:00 p.m. PT No exceptions
Award announcements	Anticipated Late Spring 2026

Pre-Application Consultation (RFA Section 3.2)

Follow these steps to schedule a PAC

Complete a [PAC request form](#). If you are planning to apply for funding for more than one project, you must complete a separate form for each one, but can address all of them in one PAC.



An email from BR2@ahpnet.com will include a link to the Microsoft Bookings landing page, where you can select a convenient date and time for your PAC.



Applicants scheduling on behalf of a city and/or a county or a Tribal entity should do so by selecting either “City/County Specific” or “Tribal.”



Complete the booking questions.



Once you have met with your AHP technical assistance specialist and completed a PAC, you will be able to submit a Bond BHCIP Round 2: Unmet Needs application through SurveyMonkey Apply.

Pre-Application Consultation Request Form

Bond BHCIP Round 2: Unmet Needs

Bond BHCIP Round 2: Unmet Needs

Welcome to the Application Portal

Please note: Only those applicants who request a required pre-application consultation on or before August 29, 2025, will be considered for Bond BHCIP Round 2: Unmet Needs grant funding.

The deadline to submit completed applications for Bond BHCIP Round 2: Unmet Needs grant funding is October 28, 2025, at 5:00 p.m. Pacific Time.

Visit the [BHCIP website](#) to learn more about this funding opportunity. The Request for Applications (RFA) can also be found [on the website](#). Bond BHCIP Round 2: Unmet Needs funding is expressly intended for the construction, renovation, and expansion of behavioral health facilities (including residential programs). For information about the supportive housing portion of the Behavioral Health Infrastructure Bond Act (BHIBA), including veterans' supportive housing, please visit the Department of Housing and Community Development [website](#).

APPLY

Open to
Organizations and individual
applicants can apply.

Opens
Jun 2 2025 05:00 PM (PDT)

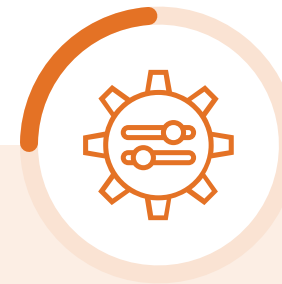
Tips for Applying: Ensuring Consistency



Double check application responses to ensure there is no conflicting information.



Write a strong narrative in all applicable sections of the application and ensure all data matches across the application (beds/slots, populations served, etc.).



Many questions include multiple parts, so confirm that you have responded to all parts of each question.

Forms and Attachments

RFA Attachments and Required Documents

- **Form 1:** Application Questions Guide (for reference only)
- **Form 2:** Budget (worksheet for use in preparing the application)
- **Form 3:** Development Team Information
- **Form 4:** Design, Acquisition, and Construction Milestone Schedule
- **Form 5:** Applicant's Certification of Prevailing Wage
- **Form 6:** Applicant's Certification of Funding Terms
- **Form 7:** Community Engagement
- **Form 8:** Schematic Design Checklist
- **Form 9:** Facility Financial Operating Pro Forma Template
- **Form 10:** Board Authorizing Resolution (BAR)
- **Drawings:** preliminary site plans, design drawings, or construction drawings
- **Resumes:** Development team or developer who created the design/construction plans
- **Contracts:** A copy of all executed contracts for hire related to your project's development team

Max file size: 20 MB

 Upload a file

New Requirement: Photo Submission

Photo of Proposed Property in pre-Bond BHCIP stage is required with your application.

High-quality photo should be in a JPG format with size of 1024x768 pixels or larger, not to exceed 15MB in file size.

*A PDF is an acceptable alternative file format.



Tips for Applying: Picking a Project Name

If awarded, your project title will serve as the public name of the project and will be referenced publicly in communications such as news releases, information about groundbreaking and other events, and more. Thus, submitting your application with a carefully thought-out project name is extremely important.

Things to avoid when creating a project name:

- Including an address: 123 Main Street Behavioral Services Recovery
- Referencing a legislative bill: SB444 Mental Health Center

Things to consider including in your project name:

- Choose a name that is meaningful and relevant to your project/facility.
- Reflect the ages and health needs of the target population.
- Focus on positivity and transformation, suggesting positive outcomes or a journey.
- Include words that emphasize compassion and support, connecting warmth and understanding to your project.

Tips for Applying: Bed and Slot Definitions

Bed



Bed refers to a physical bed in a facility that can accommodate one person per 24-hour period.

Slot



A slot is defined as a treatment “chair” an individual uses for receiving behavioral health treatment outpatient services that do not require overnight stays.

Tips for Applying: Regional Model



A regional model is described as counties and/or Tribal entities partnering to create established networks of organized systems of care. This may include two or more counties that propose a facility that will provide behavioral health services to residents of all counties involved.



Tips for Applying: Campus

“Campus” is defined as three or more eligible behavioral health facilities that are collocated at the same site, including existing behavioral health facilities types (non-BHCIP/Bond BHCIP-funded) and Bond BHCIP Round 2 proposed facilities.



Tips for Applying: Narrative Questions

Narratives Overview

- Describe how the proposed project will address health priorities and unmet needs within the community(ies) to be served.
- Describe how the proposed project fits into and bolsters the behavioral health continuum of care within the region. Answer narrative questions without the use of Artificial Intelligence (AI) so answers are specific and come from the individuals involved in the project vs artificially.
- Describe the types of service(s) and level of care designation(s) that will be offered in the facility(ies) once the project has been completed. Describe how the proposed project facility(ies) will receive referrals into the program.
- Explain whether the proposed facility(ies) will have established connections to step-up/-down services.
- Provide a high-quality abstract summarizing the project, explaining why it is necessary, how it addresses the remaining gaps in the statewide behavioral health continuum, and how it addresses unmet needs as identified in the RFA.

Tips for Applying: License and Certification Resources

Resources by DHCS for Bond BHCIP Facility Types

BHCIP License and/or Certification Webinar Series

- DHCS hosted a series of virtual webinars to provide technical assistance on the license and/or certification processes for Bond BHCIP eligible facility types.
- These webinars are designed to guide interested entities in navigating license and/or certification applications depending on the facility type and its relevant oversight agencies.
- [BHCIP Resource Library Link](#)

Bond BHCIP Facility License and Certification Reference Guide

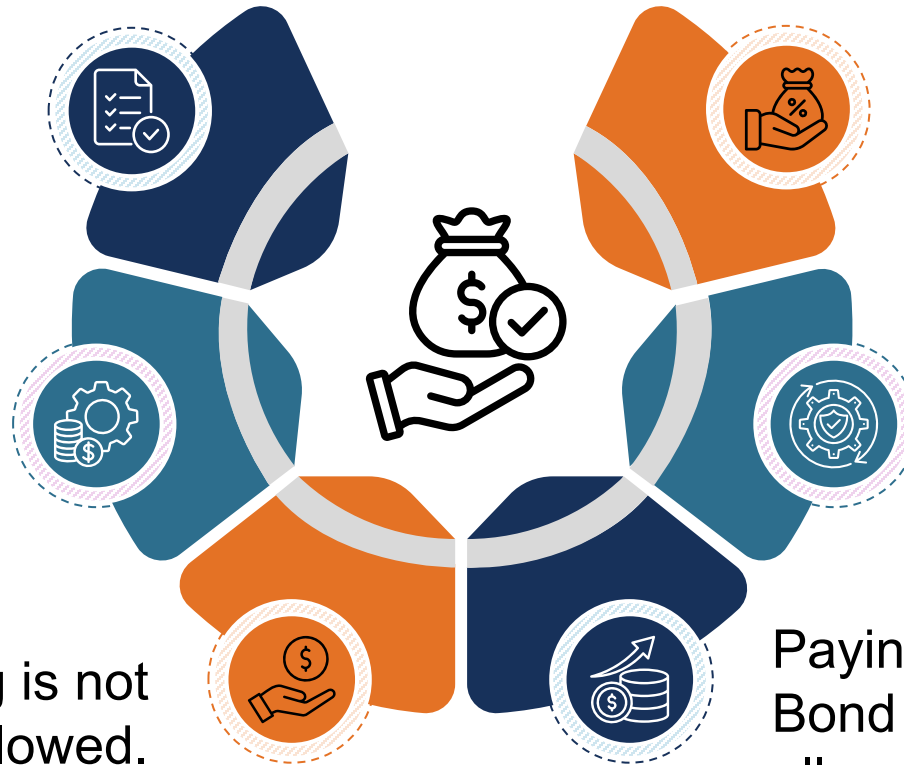
- A colorful and informative graphic that breaks down the oversight body, mandatory and voluntary requirements, type of setting, and more, for each Bond BHCIP facility type.
- Guide will be added soon to the [BHCIP Resource Library](#)

Tips for Applying: Allowable and Not Allowable Expenses

[Attachment B: Allowable and Not Allowable Equipment List](#)

Relocation costs are not allowed.

Preservation funding is not allowed.



Paying off existing loans with Bond BHCIP Round 2 award funding is not allowed.

Paying facility operational costs with Bond BHCIP Round 2 funds is not allowed.

Paying off interest on loans with Bond BHCIP Round 2 funds is not allowed.

Tips for Applying



Site Control

- Title must be vested to the lead and/or co-applicant (confirm via current title report).
- Accepted documents: title report, executed purchase and sale agreement (PSA), letter of intent (LOI), long-term lease (≥30 yrs), or executed exclusive negotiation agreement (ENA)
- Include key dates: execution, expiration, option periods
- Match entity and property information: legal names and address/assessor's parcel number (APN) must align.
- Lease terms must meet program requirements (extend if needed).








Co-applicants

Co-applicants bear the same legal and fiscal responsibilities associated with the grant as applicants, and both are expected to sign the Program Funding Agreement.



The applying entity can not be modified post-award.

Reasons for Disqualification from Review

-  ● The applicant does not request a PAC by the August 29, 2025, deadline (see RFA section 1.4).
-  ● The application is received after the application submission deadline of October 28, 2025, at 5:00 p.m. PT. Submit early to avoid technical issues. See RFA section 1.4 for a complete timeline.
-  ● The application is incomplete or missing required information or forms or does not include a complete development budget (see RFA section 2.8).
-  ● The proposed facility is not on the list of eligible facility types (see RFA section 2.4).
-  ● The project is in some way ineligible for funding (see RFA section 2.2).

Post-Award Expectations



Conditional Awardee for Bond BHCIP Grant Funding

- The conditional Bond BHCIP grant award remains contingent upon verification of the grantee's eligibility and use of bond funds, completion of award certification steps, final execution of the Program Funding Agreement, and fulfillment of all program requirements.
- Once the vetting process, which occurs after issuance if the conditional award, is complete, DHCS may rescind a conditional funding award in any instance in which a grantee does not meet program and/or bond funding requirements or if any of the areas indicated below are found to be problematic or inconsistent with statutory requirements.
- For Bond BHCIP Round 2: Unmet Needs, conditional awards will undergo a uniform vetting process before final awards are announced.
- DHCS' vetting process includes conducting in-depth reviews of property, liens and loans, funding streams or conflicts, match, business structure, budget proposal, and overall application accuracy.

Post-Award Process and Expectations



Clear title to the property.



Complete execution of the Program Funding Agreement (PFA) within 90 days of receipt.



Execute a Facility Access Agreement (FAA).



Provide a signed opinion letter from legal counsel stating that the PFA, including real estate instruments, along with the program requirements, is not in conflict with any existing contract or agreement related to the property, project, or conditional grantee.



Important Points:

- The PFA must be signed, returned, and fully executed with DHCS/AHP before initial funding will begin.
- DHCS will not accept any changes, negotiations, or redlining to the PFA.

Encumbrance and Use Restrictions

Commit to operating behavioral health services in the Bond BHCIP Round 2 funded project for a minimum of 30 years through a deed restriction placed on the property title.

Accept Medi-Cal beneficiaries and serve at least the same percentage, as identified in the DHCS-approved Bond BHCIP Round 2 grant project.

Bond BHCIP Round 2 Conditional Awardees—whether individually or with a co-applicant—hold the same responsibilities and obligations to fulfill the program requirements for the duration of the deed restriction.

All entities involved in the proposed facility(ies) must be clearly identified in the application, with their defined roles on the Bond BHCIP Round 2 grant project.



Encumbrance and Use Restrictions

01

Encumbrance requirements are dependent on project property ownership.

02

Non-applicant project property owners or co-owners are required to:

- ✓ execute the Facility Access Agreement (FAA) and
- ✓ sign and record the security instruments: Declaration of Restrictions (DoR) and Performance Deed of Trust (PDoT)

03

Where the project property is leased, the lead applicant and any co-applicants are required to be a party to the lease agreement.

Required Signatories

	Lead Applicant	Co-applicant	Non-applicant: Owner/Co-owner
FAA	✓	✓	✓
Recording Board Authorizing Resolution (BAR)	if project property owner	if project property owner	✓
DoR	✓	✓	✓
PDoT *as applicable to the project	if project property owner	if project property owner	✓

For More Information



Bond BHCIP Round 2: Unmet Needs

- Visit the [BHCIP website](#)
- Email BR2@ahpnet.com
- Tribal Informational Webinar on June 24, 2025, at 2:00 p.m. ([registration required](#))

Behavioral Health Transformation

- Visit the [BHT website](#)
- Email BHTInfo@dhcs.ca.gov

Thank you!

