

Proposition 1: Behavioral Health Bond

Round 2

August 4, 2025



City & County of San Francisco
Department of Public Health

Proposition 1 – Bond Overview

\$6.4 billion bond: Behavioral Health Infrastructure Bond Act (BHIBA; AB 531)

Up to \$4.4 billion to expand behavioral health treatment (Department of Health Care Services – DHCS)

- Utilizes DHCS’s existing Behavioral Health Continuum Infrastructure Program (BHCIP) model (est. 2021) for funding terms and disbursement – “Bond BHCIP”
 - Bond BHCIP Round 1: Launch Ready – \$3.3 billion (2024–25)
 - Bond BHCIP Round 2: Unmet Needs – \$800+ million (2025–26)

\$2 billion to expand supportive housing (Department of Housing and Community Development – HCD)

- \$1 billion for housing for veterans experiencing homelessness
- \$1 billion for housing for people experiencing homelessness and behavioral health challenges
 - HSH is lead City department – modeled off Project Homekey



BHCIP Bond Funding

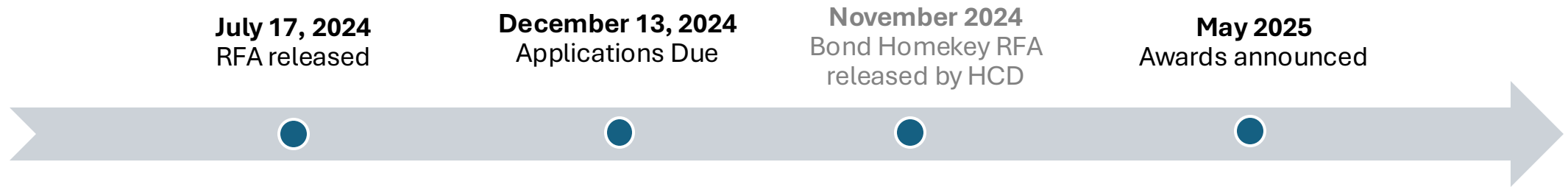
Round 2 offers a smaller pool of funding, where all eligible entities compete statewide. There is no funding set-asides by region or entity type in this round.

Funding allocations	Bond BHCIP Round 1	Bond BHCIP Round 2
Bay Area regional allocation (Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma)	\$278 million	\$800+ million
Other regional allocations	\$1.2 billion	
Statewide discretionary	\$342 million	
Dedicated City/County/Tribal entity funding (no regional caps)	\$1.5 billion	
Total bond funding	\$3.3 billion	\$800+ million

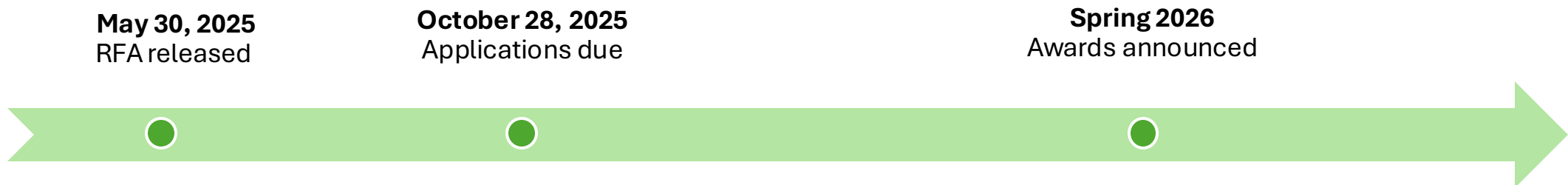


BHCIP Bond Timeline

Round 1 – Launch Ready (\$3.3B): 2024–25



Round 2 – Unmet Needs (\$800M+): 2025–26



Note: Recipients of BHCIP awards in prior rounds are eligible to apply in Bond BHCIP Round 2.
Any additional Bond BHCIP funding awarded must be used to further expand or create new facility capacity.

BHCIP Bond Funding Eligibility

At minimum, to be eligible for Bond BHCIP, the applicant must **demonstrate “project readiness”**:

1. **Site control*** – property ownership, executed purchase and sale agreement, executed exclusive negotiation agreement, letter of intent to purchase, or long-term lease (30 years)
2. **Preliminary title report***
3. **Sustainable business plan*** – identify ongoing operating funding for five years
4. **Conceptual/schematic site plan***
5. **Stakeholder support*** – as demonstrated by letters of support from county, internal boards, and/or community partners
6. **Demonstration of county/Medi-Cal investments** – to sustain operations
7. **Local match amount and source identified** – 10% required for non-profits and government
8. **Board Authorizing Resolution (BAR)*** to confirm signing authority for the contract
9. **Photo of proposed property*** in pre-BHCIP stage

**required to submit at time of application*



BHCIP Eligible Facility Types

Facilities must **expand or create new behavioral health infrastructure** to receive BHCIP funding.

In general, they must provide Medi-Cal billable services. Residential Care Facilities (Board & Care) are ineligible.

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

**Eligible facility types that are highly encouraged.*



DHCS Priorities in Round 2

- 1) Expand **community residential beds and crisis settings**
- 2) **Regional models** aimed at expanding community-based services
- 3) Located in **rural and/or remote areas** with insufficient BH infrastructure
- 4) Located in geographic areas with **no prior BHCIP infrastructure projects**
- 5) Include a **higher cash match**
- 6) Include specific facility types, namely:
 - Behavioral Health Urgent Care (BHUC)/Mental Health Urgent Care (MHUC)
 - Crisis Stabilization Unit (CSU)
 - Peer Respite
 - Social Rehabilitation Facility (SRF)



Communication with SFDPH on Proposed Projects

- Please contact SFDPH early to discuss your proposed project's operating plan and funding sources.
- Especially if you plan to provide behavioral health Medi-Cal services but do not currently bill behavioral health Medi-Cal.
- **NOTE: SFDPH is constrained in terms of operating dollars and cannot guarantee specialty behavioral health Medi-Cal match.**

Email bhcip.bhs.contact@sfdph.org

Letter of Support Process

- DHCS **requires** city, nonprofit, and for-profit applicants to include a Letter of Support from their county behavioral health agency
- San Francisco Department of Public Health established a Letter of Support request process, where:
 - Entities must (1) complete SFDPH's LOS request form and (2) fill out the LOS template
 - Submit LOS request materials via email **no later than September 16, 2025**



Email bhcip.bhs.contact@sfdph.org



SFDPH Priorities for LOS Requests

1. Consistent with SFDPH residential expansion needs
 - a. Outstanding needs identified from the 2024 Bed Optimization Report
 - b. Projects planned to open with expediency
2. Consistent with priorities of Mayor's Office Breaking the Cycle Initiative
3. Has a sustainable operating plan
4. Serves clients within SFDPH system of care

Note: SFDPH will prioritize requests from in-county providers. For out-of-county providers, letters from SFDPH are considered supplemental for Bond BHCIP.



SF citywide approach: Breaking the Cycle

Goal: Fundamentally transform our behavioral health and homelessness response system with greater accountability, integrated service delivery, and outcomes that prioritize both compassionate care and responsible governance

1 Build a system that helps people achieve lasting stability

2 Restore public spaces to achieve clean and safe streets

3 Drive more responsible governance and accountability

Tackling SF's Behavioral Health and Homelessness crisis



Our goals

Build a more responsive and proactive behavioral health system of care that will help move people quickly from the streets into effective treatment and sustained recovery

Reduce fatal overdoses and reduce disparities in overdose rates across the city

SFDPH Roadmap for the Behavioral Health Crisis

1. **Expand Treatment Beds and Services** – We need to expand treatment beds and services, at the right levels of clinical intensity, including more clinical care in shelters
2. **Accelerate and Simplify Entry to Care** – We need to more quickly connect people to treatment and stabilization services, whenever someone needs or is ready for treatment
3. **Support People To Progress Through Care** – We need to do a better job being “sticky” – supporting people to engage and stay the course through evidence-based treatment and recovery – without falling through the cracks
4. **Pair Safer Use Supplies with Proactive Linkages to Care** – We are requiring that distribution of supplies be paired with counseling and connections to treatment, and piloting a new smoking supply policy for public spaces
5. **Build a Comprehensive Pathway to Recovery** – We need all the tools in the toolkit, ranging from low-barrier stabilization to recovery-oriented treatment and step-down services, to help everyone on the street move forward
6. **Prevent overdoses** – We need to continue overdose prevention efforts, especially in permanent supportive housing, through culturally congruent programs, and by moving upstream in care

2024 Bed Optimization: Recommendations

Residential Type	Additional Beds Needed	Considerations
Mental Health Residential Treatment	~50	<ul style="list-style-type: none"> Includes different lengths of stay Includes need for clients with specific needs (e.g., both severe mental health and substance use diagnoses; seniors; and perinatal clients)
Mental Health Rehabilitation Centers (MHRC) / LSAT	Estimated 55-95	<ul style="list-style-type: none"> Given current wait times Potential for increase in demand under SB 43
SUD Residential Withdrawal Management	~8-10	<ul style="list-style-type: none"> Includes high-complexity withdrawal management for people with both severe withdrawal medical needs and other health needs
Enhanced Residential Care / Residential Care for the Elderly*	Estimated 20-40	<ul style="list-style-type: none"> Highly specialized level of care for complex, high-need clients difficult to place in care.
SUD Residential Step-Down*	~20-30	<ul style="list-style-type: none"> The number of clients served in RSD has increased as SFDPH has added capacity.

* Facility type not eligible for BHCIP funding

Key Deadlines

- Application opens – June 2, 2025
- Mandatory pre-application consultation (PAC) request form deadline – August 29, 2025
- PAC meeting period – June 26, 2025, through October 1, 2025
- **Submit LOS request to SFPDH no later than September 16, 2025**
- Application deadline – October 28, 2025, 5:00 p.m. PT
- Awards announcements – Anticipated Spring 2026



State Resources

For the most accurate and up-to-date information, please refer to State Bond BHCIP materials:

- Behavioral Health Continuum Infrastructure Program (BHCIP)
<https://www.infrastructure.buildingcalhhs.com/>
- Bond BHCIP Round 2: Unmet Needs RFA and Related Documents
<https://infrastructure.buildingcalhhs.com/grantees/bond-bhcip-rounds/>
- PAC request form:
https://buildingcaldata.smapply.us/prog/bond_bhcip_round_2_unmet_needs/



Thank you

Any questions?

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Contact bhcip.bhs.contact@sfdph.org