

File #250949 – Grant Application

**California Department of Health Care Services
Bond BHCIP Round 2 – Unmet Needs Program**

**BOS Budget & Finance Committee
October 1, 2025**

**Kelly Kirkpatrick
Director of New Beds & Facilities, Behavioral Health Services**



City & County of San Francisco
Department of Public Health

Proposition 1 – State Bond Overview

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

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

- Bond Behavioral Health Continuum Infrastructure Program (BHCIP) Round 1: Launch Ready – \$3.3 billion (2024–25)
- **Bond BHCIP Round 2: Unmet Needs – \$800 million (2025–26)**

\$2.0 billion to expand supportive housing (Dept. of Housing & Community Development – HCD)

- HSH & MOHCD are lead City departments – modeled off Project Homekey



State Bond BHCIP Funding Eligibility

Limited and specific eligibility requirements for the one-time state capital funds.

- 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 & Cares) are ineligible.
- To be eligible for Bond BHCIP funding, the applicant must **demonstrate “project readiness”**:
 - Site control – property ownership, executed purchase and sale agreement, letter of intent to purchase, or long-term lease (30 years)
 - Ongoing operating funding identified – five-year sustainable business plan
 - Conceptual/schematic site plans
 - Local match amount and source identified – 10% required
 - **Board Authorizing Resolution (BAR) to apply for Bond BHCIP grant**
- Constrained by **no new operating funding available, only one-time capital funds**



Round 1: Bond BHCIP Projects

In May 2025, the state announced awards for the \$3.3 billion available in Bond BHCIP Round 1.

SFDPH was awarded \$27.6 million in capital funds for two behavioral health residential treatment projects to add 73 beds to our system of care.

- \$21.3 million for the Behavioral Health Center Locked MHRC Expansion (57 beds)
- \$6.3 million for the 7th Street Enhanced Dual Diagnosis Residential Treatment program (16 beds)



333 7th Street (formerly Jo Ruffin Place)



Round 2: Bond BHCIP Applications

SFDPH plans to request \$26M in capital funds to expand two behavioral health residential and outpatient facilities for approximately 60 additional beds.

- \$14 million for Adult Residential Substance Use Disorder (SUD) Treatment Beds on Treasure Island – 40 beds
- \$12 million for a 24/7 center available for law enforcement at the upcoming Health, Recovery, and Connection Center (1660 Mission St) – up to 16 beds

Additionally, SFDPH plans to reapply with UCSF Health for Locked Subacute Treatment (LSAT) Beds & Acute Psychiatric Bed expansion of 56 beds for \$74 million



Next Steps

- Submit Bond BHCIP Round 2 applications by October 28, 2025
- Bond BHCIP Round 2 awards to be announced by the state in Spring 2026
 - Funding is not guaranteed

Should we be awarded Bond BHCIP Round 2 funds, SFDPH will need to return to the BOS for appropriation authority and to approve the final program funding agreement.



**We respectfully request approval of
this item.**

Thank you!

