

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

January 27, 2026

FROM

JOSHUA DUGAS, Acting Director, Department of Behavioral Health

SUBJECT

Program Funding Agreement and Amendment to Resolution for the Bond Behavioral Health Continuum Infrastructure Program Round 1 Grant

RECOMMENDATION(S)

1. Approve Program Funding **Agreement No. 26-43**, and accept the grant award, including non-standard terms, and its related attachments and exhibits, with Advocates for Human Potential, Inc., on behalf of the California Department of Health Care Services, for the Bond Behavioral Health Continuum Infrastructure Program Round 1: Launch Ready grant, in the amount not to exceed \$38,722,987, effective upon execution through June 30, 2030.
2. Approve Facility Access **Agreement No. 26-44** with the California Department of Health Care Services, which specifies any behavioral facility operating on the property located at 2626 and 2634 East Pacific Street in the City of San Bernardino (Assessor's Parcel Numbers 1191-141-38-0000 and 1191-141-40-0000) must comply with Welfare and Institutions Code sections 5960 through 5960.45, and accept Medi-Cal beneficiaries for a minimum of 30 years unless any change in use of the facility is approved by the California Department of Health Care Services.
3. Approve Regulatory Agreement and Declaration of Restrictions (**Agreement No. 26-45**) with the State of California, through the California Department of Health Care Services, to restrict the use of County-owned real property (Assessor's Parcel Numbers 1191-141-38-0000 and 1191-141-40-0000) located at 2626 and 2634 East Pacific Street in the City of San Bernardino, for the provision of grant funded construction or rehabilitation of facilities for short-term crisis stabilization, acute and subacute care, crisis 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, for a minimum of 30 years, commencing from the date a certificate of occupancy is issued for new facilities constructed on the property or the date of notice of completion is recorded for the rehabilitation or expansion of an existing facility on the property.
4. Authorize the Chair of the Board of Supervisors, Chief Executive Officer, Assistant Executive Officer, Deputy Executive Officer, Director of the Project and Facilities Management Department, Director of the Real Estate Services Department, or Director of the Department of Behavioral Health, to execute and submit any subsequent non-substantive amendments to the Program Funding Agreement, and its related attachments and exhibits, the Regulatory Agreement and Declaration of Restrictions, and Facility Access Agreement, or any additional or supplemental documentation, subject to review by County Counsel.
5. Adopt **Amendment No. 1 to Resolution No. 2024-167** to include the Chair of the Board of Supervisors as an Authorized Signatory related to the Bond Behavioral Health Continuum Infrastructure Program Round 1: Launch Ready grant.

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6. Direct the Director of the Department of Behavioral Health to transmit any subsequent non-substantive amendments to the Program Funding Agreement, and its related attachments and exhibits, and Regulatory Agreement and Declaration of Restrictions and Facility Access Agreement to the Clerk of the Board within 30 days of execution.
(Presenter: Jennifer Alsina, Assistant Director, 252-5142)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote the Countywide Vision.

Create, Maintain and Grow Jobs and Economic Value in the County.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

Provide for the Safety, Health and Social Service Needs of County Residents.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this item does not impact Discretionary General Funding (Net County Cost). The Bond Behavioral Continuum Infrastructure Program (BHCIP) Program Funding Agreement (PFA) in the amount of \$38,722,987 requires a 10% (\$3,872,299) local match. The Department of Behavioral Health (DBH) will meet this requirement with American Rescue Plan Act funds (\$3,227,027), and land contributed to the Pacific Village Platinum Campus (Campus) in the City of Highland, valued at \$645,272. DBH will contribute funds from the 2011 Support Services Fund to address any subsequent shortfall in the value of the land contributed. Adequate appropriation and revenue have been included in the DBH 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The Campus is a multiuse partnership (partnership) between DBH, Department of Aging and Adult Services, Community Development and Housing Department (CDH), and a third-party management provider, Advocates for Human Potential (AHP). The Campus is designed to provide housing and supportive services to San Bernardino County (County) residents who are experiencing or are at risk of homelessness through a coordinated, collective-impact model.

Since 2020, this partnership has developed and delivered a continuum of care that includes 28 interim housing units; an additional 58 permanent supportive housing units are being developed to address the needs of County residents. Each department utilizes dedicated funding sources to support its respective portions of the Campus.

This County initiative aims to effectively address the root causes of homelessness by offering a more integrated solution than traditional shelters or congregate housing. It is designed to serve the County's most vulnerable populations, including older adults, individuals with disabilities, and those experiencing chronic homelessness, by combining housing interventions with behavioral health, recuperative care, and substance use disorder treatment services, with the goal of creating a pathway to recovery, independence, and long-term housing stability.

On October 6, 2020 (Item No. 33), the Board of Supervisors (Board) approved the acquisition of the Campus, at a cost of \$2,700,000, plus escrow and title fees, utilizing HomeKey Program grant funding awarded to CDH.

On July 23, 2024 (Item No. 26), the Board approved the subdivision of the Campus into three separate parcels necessary to facilitate the Campus development.

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On December 3, 2024 (Item No. 15), the Board approved and authorized the submission of the grant application to the California Department of Health Care Services' Bond BHCIP Round 1: Launch Ready grant, in the amount of \$38,722,987. In addition, Board Agenda Resolution (BAR) No. 2024-167 was adopted approving an application for funding and the execution of a grant agreement for the Launch Ready grant.

The Campus will enhance the County's ability to engage more individuals with acute substance use disorder (SUD) needs, offering American Society of Addiction Medicine-based care and adult residential SUD treatment once construction is complete. The total cost of \$38,722,987 for the Campus is as outlined to include:

- \$8,076,460 for Pre-Development and Planning Costs: environmental reports, surveys, consultation fees, design schematics.
- \$30,646,527 for Ground-Up Construction: permits, fees, labor, materials, inspections, construction, insurance, and furniture and fixtures.

These funds will support the expansion at the Campus to include 32 new residential SUD treatment beds. Once open, this facility will provide effective, efficient, and culturally-based services to find solutions to behavioral health challenges, thereby improving these individuals' ability to function within their families and communities.

The terms and conditions of the PFA are non-negotiable and deviate from the standard County contract terms as follows:

1. The County may not terminate the agreement for convenience.
 - The County standard contract allows the County to terminate the contract for convenience with 30 days written notice.
 - Potential Impact: There is no ability for the County to terminate for convenience and is bound to the obligations in the agreement for the term of the agreement.
2. Except for claims arising out of AHP or the State's gross negligence or willful misconduct, the County is required to indemnify AHP and the State (with attorneys' approved by AHP and the State) against claims that result from the County's performance under the terms of the Agreement, including, for any act or omission or statement of the County or any person employed by or engaged under contract with the County that results in injury, loss, or damage to persons or property, any failure of the County to comply with the program requirements and requirements of the law.
 - The County standard contract does not impose any indemnity obligations on the County.
 - Potential Impact: In the event a claim arises against AHP or the State which fall within the scope of the County's indemnity obligation, the County is required to pay for attorney's fees and costs for the defense of the claim and any resulting settlement/judgment.
3. AHP and the State have the right to access any documents, papers, or other records of the County relating to the Campus and grant funds for an audit.
 - The County standard contract does not permit contractors to audit the County's compliance.

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- Potential Impact: If an audit determines that the County's use of the grant funds do not comply with the program and agreement requirements, AHP and the State may demand the return of the grant funds.
4. The agreement does not include the standard County insurance requirements, including that the County be named as an additional insured.
 - The County standard contract requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department.
 - Potential Impact: Without any of the standard County insurance requirements, including being named as an additional insured, the County has no assurance that AHP will be financially responsible for claims that may arise under the agreement, which could result in expenses to the County.
 5. The agreement imposes insurance obligations on the County.
 - The County standard contract does not impose any insurance obligations on the County.
 - Potential Impact: The County will need to be mindful of the insurance obligations and ensure compliance to avoid a breach of the agreement terms.

Delegated authority is being requested to execute and transmit any subsequent non-substantive amendments to the PFA and its related attachments and exhibits, as well as authority to execute non-substantive amendments to the Regulatory Agreement and Declaration of Restrictions (DOR) and Facility Access Agreement, and/or any additional or supplemental documentation, subject to review by County Counsel. This authority is requested because a delay in obtaining signatures on the documents may result in construction delays, financial repercussions, and jeopardize project deadlines contained in the grant requirements.

The Regulatory Agreement is a binding agreement that manages compliance, mitigates risk, and dictates the terms under which the County receives government benefits and/or permissions. Permissions may include, but are not limited to, obtaining necessary permits, adhering to industry standards, and addressing regulatory changes that may affect responsibilities.

The DOR is a requirement of the PFA as it serves to establish guidelines for land use and development, ensuring that the property is used in a manner consistent with zoning standards and regulations. The DOR further protects the interests of current and future property owners by limiting the use of the land, therefore protecting all stakeholders.

The Facility Access Agreement is a formal agreement with the grantor, BHCIP, and the grant recipient, DBH, that outlines specific procedures for controlled access to shared facilities, labs, or equipment. It details usage terms, cost, safety protocols, liability, and compliance to provide a foundation of mutual understanding and responsibility of the property.

Approval of the PFA, with these non-standard terms, will enable DBH to formally accept the grant funds and proceed with the expansion of the Campus to include provision of SUD services. Additionally, approval of this item will amend the BAR to add the Chair of the Board of Supervisors as an authorized signatory as required by the State.

PROCUREMENT
N/A

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REVIEW BY OTHERS

This item has been reviewed by Behavioral Health (Diana Barajas, Acting Administrative Supervisor I, 383-3940) on December 17, 2025; County Counsel (Dawn Martin, Deputy County Counsel, 387-5455) on January 22, 2025; Risk Management (Stephanie Pacheco, Staff Analyst, 386-9039) on December 30, 2025; Project Facilities Management (Donald Day, Director, 387-5224 and Rob Gilliam, Chief of Project Management, 387-5000) on December 30, 2025; and County Finance and Administration (Paul Garcia, Administrative Analyst, 386-8392) on January 22, 2026.

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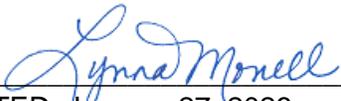
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.
Absent: Col. Paul Cook (Ret.)

Lynna Monell, CLERK OF THE BOARD

BY  _____
DATED: January 27, 2026



cc: DBH - Alfaro w/agree for sign
 Contractor - c/o DBH w/agree
 File - w/agree
MBA 01/28/2026