

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

May 5, 2026

FROM

JOSHUA DUGAS, Acting Director, Department of Behavioral Health

SUBJECT

Mental Health Services Act Peer Housing Innovation Project Plan 2025

RECOMMENDATION(S)

1. Approve the Mental Health Services Act Peer Housing Innovation Project Plan 2025, which includes the Mental Health Services Act County Compliance Certification and Mental Health Services Act County Fiscal Accountability Certification, in an expenditure amount not to exceed \$2,089,845, for the period of May 5, 2026, through June 30, 2029.
2. Authorize the Director of the Department of Behavioral Health to execute and submit the Mental Health Services Act Peer Housing Innovation Project Plan 2025, Mental Health Services Act County Compliance Certification, and Mental Health Services Act County Fiscal Accountability Certification to the Commission for Behavioral Health.
3. Direct the Director of the Department of Behavioral Health to transmit the Mental Health Services Act Peer Housing Innovation Project Plan 2025 to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Joshua Dugas, Acting Director, 252-5142)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote and Fulfill the Countywide Vision.

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

FINANCIAL IMPACT

This item does not impact Discretionary General Funding (Net County Cost). This Peer Housing Innovation (INN) Project (Project) will be funded fully with Mental Health Services Act (MHSA) Innovation Funding, in an amount not to exceed \$2,089,845.

Effective July 1, 2026, for counties that have INN funds encumbered prior to July 1, 2026, and an operational INN project, those INN funds will remain encumbered for the duration of the first Behavioral Health Services Act (BHSA) Integrated Plan covering budget years 2026-27 through 2028-29. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The MHSA was approved by California voters in 2004 and effective January 2005. MHSA is funded by a 1% tax surcharge on personal income over \$1,000,000 per year. MHSA provides funding to counties to expand and improve public mental health services and reduce the long-term impacts of untreated serious mental illness. Voters subsequently approved Proposition 1,

Mental Health Services Act Peer Housing Innovation Project Plan 2025 May 5, 2026

which transitions MHPA to BHPA, effective July 1, 2026. Under BHPA regulations, INN projects approved prior to the BHPA implementation may continue through July 1, 2029, provided funds are encumbered prior to July 1, 2026.

MHPA includes an INN component that supports time-limited projects designed to test new adapted approaches that improve the public behavioral health system. For each INN project, counties must submit a plan to the California Behavioral Health Commission for approval prior to implementation.

DBH developed the MHPA Peer Housing INN Project Plan 2025 (Plan) to pilot a peer-run transitional housing model for adults experiencing homelessness who are engaged in DBH Clubhouse programs (Clubhouse). These Clubhouses provide engagement and peer support for individuals who do not access services in traditional settings. The Project will provide a six-bed peer-run transitional housing facility with stays of six to 12 months, managed by Certified Medi-Cal Peer Support Specialists. A Peer-Support Specialist provides oversight of the general operation of the house, handling food, enforcement of any restrictions, coordinates Peer Programs, and serves as a DBH liaison. Residents will participate in Clubhouse activities designed to build life skills, strengthen social support, and promote recovery with the goal of transitioning participants to permanent housing and greater independence.

DBH is a part of the San Bernardino County's (County) Interagency Council on Homelessness and the Homeless Provider Network. While current funded programs provide varying levels of care and housing support/resources, none combine a peer-centered approach within a housing setting. The County's regionally adapted Clubhouses are a place of engagement and peer support for individuals who do not access services in traditional settings.

The Clubhouses serve as peer-led support centers focused on recovery for consumers aged 18 and older. There are 11 locations across the county dedicated to helping those living with serious mental illness or working toward recovery from substance use. The Clubhouse locations include Lucerne Valley, Ontario, Yucaipa, Rialto, Barstow, Yucca Valley, Fontana, Needles, Victorville, San Bernardino and Apple Valley. These Clubhouses are primarily consumer-driven, and operate with minimal involvement from DBH staff. Clubhouse members take the lead in making decisions about operations, including support groups, community activities, staffing, and program offerings. The Clubhouses have become a primary navigation point for unhoused residents to seek support. These individuals, while unhoused, visit the Clubhouse daily.

In 2024, the Clubhouse program launched a pilot partnership with DBH's Housing and Homeless Services Continuum of Care Program (HHSCCP). Through this initiative, Clubhouse members received emergency shelter vouchers through HHSCCP's Homeless Outreach and Support Team, providing access to temporary housing combined with ongoing Clubhouse support. To maintain eligibility, participants were required to stay engaged in Clubhouse activities, fostering peer connections and linking them to essential services. Each participant was paired with a navigator who helped set personal goals, connect to resources, develop life skills, and secure housing options once their shelter vouchers expired.

The Project will utilize resources from the Clubhouses and DBH's HHSCCP to focus on developing and planning a peer-run housing system of care that supports pathways to long-term/permanent housing and promotes long-term self-sufficiency. The Project aims to create a safe, peer-supported transitional residence for adults with significant behavioral health challenges who are moving from homelessness toward independent living in permanent housing.

**Mental Health Services Act Peer Housing Innovation Project Plan 2025
May 5, 2026**

The Project is expected to serve approximately 12 to 24 individuals annually, with outcomes measured by successful transitions to permanent housing, engagement in behavioral health services, and improvements in independent living skills.

The total proposed estimated budget for this project is approximately \$596,241 annually, resulting in a project total of \$2,089,845 over a three-and-a-half-year term. Funding will allow for a six-bed shelter facility, which will include providing meals planned with peer input and increased contract monitoring requirements in alignment with INN goals.

The project's direct costs will total \$860,095 over a three-and-a-half-year term. These costs include DBH personnel costs related to delivering the program services, totaling approximately \$245,741 annually. Direct costs also include the cost of the staff responsible for the development of the project evaluation and outcomes.

The project's consultant costs will total \$1,149,750 over a three-and-a-half-year term, or approximately \$328,500 annually. This amount covers all housing-related expenses and is based on the enhanced shelter services contract rate of \$150 per filled bed, per day, for six beds operating 365 days per year.

The project's other expenditures will total \$80,000 over a three-and-a-half-year term, with an annual cost of \$20,000. This amount will be budgeted for necessary project-related training, incentives, participant assistance funds, and outreach.

Approval of the Plan by the Board of Supervisors is required to comply with MHSA regulations and allow DBH to proceed with the implementation and expenditure of INN funds. Approval will also authorize the Director of DBH to submit the Plan, which includes the Public Review, Project Overview, Innovation Regulation Requirements, Project Budget and Source Expenditures, MHSA County Compliance Certification, and MHSA County Fiscal Accountability Certification.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by Department of Behavioral Health (Marianna Martinez, Administrative Supervisor II, 383-3940, and Yvonne Morgan, Ethics and Compliance Coordinator, 658-1859) on March 18, 2026; County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on March 19, 2026; and County Finance and Administration (Iliana Rodriguez, Administrative Analyst, 386-8392 and Joon Cho, Chief Administrative Analyst, 658-1812) on April 17, 2026.

**Mental Health Services Act Peer Housing Innovation Project Plan 2025
May 5, 2026**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: May 5, 2026



cc: File - Behavioral Health w/attach
CCM 05/8/2026