



COUNTY OF HUMBOLDT

For the meeting of: 4/28/2026

File #: 26-296

To: Board of Supervisors

From: DHHS: Behavioral Health

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:

Memorandum of Understanding (MOU) with Sorrel Leaf Healing Center, Inc. Regarding the Transfer of One-Time Funding Made Available Through California Senate Bill 105 for the Purpose of Supporting the Completion of the Sorrel Leaf Children's Crisis Residential Treatment Center Project and Supplemental Budget in the Amount of \$675,000 for Behavioral Health (1170424) (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the acceptance of one-time funding in the amount of \$750,000 made available through California Senate Bill 105 for the purpose of supporting the completion of the Sorrel Leaf Children's Crisis Residential Treatment Center Project; and
2. Approve, and authorize the Department of Health and Human Services (DHHS)- Behavioral Health Director, or a designee thereof, to execute, the attached MOU with Sorrel Leaf Healing Center, Inc. regarding the transfer of funding made available through California Senate Bill 105 for the purpose of Supporting the Sorrel Leaf Children's Crisis Residential Treatment Center Project; and
3. Authorize the DHHS - Behavioral Health Director, or a designee thereof, to execute any and all subsequent amendments to the attached MOU, after review and approval by County Counsel, Risk Management and the County Administrative Office; and
4. Approve the attached fiscal year (FY) 2025-26 supplemental budget in the amount of \$675,000 for Behavioral Health (1170424) (4/5 Vote Required); and
5. Direct the Clerk of the board to provide the DHHS - Contract Unit with one (1) fully executed, certified copy of the Board order related to this item.

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Safe & Healthy Communities

Strategic Plan Category: 1002- Remove barriers to quality healthcare

DISCUSSION:

As of June 2024, the County of Humboldt has received \$7,613,626.40 in funding made available by the California Health Facilities Financing Authority through the Investment in Mental Health Wellness Grant Program for Children and Youth for the purpose of implementing a Children's Crisis Treatment program in Humboldt County. Such funding will allow the Humboldt County DHHS - Behavioral Health, in partnership with Sorrel Leaf Healing Center, Inc., formerly known as Lost Coast Children's Residential Treatment Center, Inc., as designated grantee, to operate a Residential Crisis Treatment facility, as well as an integrated child and adolescent Mobile Response Team, that is designed to address the needs of children and youth, from seven through 17 years of age, who are

experiencing moderate to severe behavioral health crises.

The County of Humboldt recently received, on behalf of Sorrel Leaf Healing Center, Inc., and additional \$750,000 in one-time funding made available through California Senate Bill 105 in order to support the completion of the Sorrel Leaf Children’s Crisis Residential Treatment Center Project.

The attached MOU with Sorrel Leaf Healing Center, Inc. will allow DHHS - Behavioral Health receive SB 105 funding in the amount of \$750,000.00 and transfer a total of \$675,000 of the funding made available through California Senate Bill 105 to Sorrel Leaf Healing Center, Inc. for the purpose of completing the Sorrel Leaf Children’s Crisis Residential Treatment Center Project, including, without limitation, constructing and Arts and Administration Building on the real property located at 124 Indianola Road, Eureka, California.

SOURCE OF FUNDING:

Behavioral Health Fund 1170, Budget Unit 424, Revenue line 574070

FINANCIAL IMPACT:

<i>Expenditures (1170424)</i>	FY25-26
<i>Budgeted Expenses</i>	<u>\$75,000</u>
<i>Additional Appropriation Requested</i>	<u>\$675,000</u>
<i>Total Expenditures</i>	<u>\$750,000</u>

<i>Funding Sources (1170424)</i>	FY25-26
<i>State/Federal Funds</i>	<u>\$750,000</u>
<i>Total Funding Sources</i>	<u>\$750,000</u>

Narrative Explanation of Financial Impact:

Acceptance of funds from California Senate Bill 105 and approval of the MOU with Sorrel Leaf Healing Center, Inc. DHHS - Behavioral Health to accept a one-time, upfront payment of \$750,000 for FY 2025-26, of which \$675,000 will be transferred to Sorrel Leaf Healing Center, Inc. and \$75,000 will be allocated to DHHS - Behavioral Health expenditures. The attached supplemental budget for Behavioral Health (1170424) in the amount of \$675,000 for FY 2025-26 will increase appropriation to facilitate the transfer of funds to Sorrel Leaf Healing Center, Inc.

STAFFING IMPACT:

The recommended actions will not impact current staffing levels.

OTHER AGENCY INVOLVEMENT:

California Department of Health Care Services
Sorrel Leaf Healing Center, Inc.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the attached memorandum of understanding with Sorrel Leaf Healing Center, Inc. regarding the transfer of funding for the construction of a Behavioral Health Children’s Crisis Residential Treatment facility in Humboldt County as part of the of SB 105 or the supplemental budgets related thereto. However, this alternative is not recommended because execution of the attached MOU is necessary to allow Sorrel Leaf Healing Center, Inc. to access state funding to construct a Behavioral Health Children’s Crisis Residential Treatment center in Humboldt County.

ATTACHMENTS:

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1. MOU with Sorrel Leaf Healing Center, Inc. Regarding the Transfer of Funding Made Available Through California Senate Bill 105 for the Purpose of Supporting the Completion of the Sorrel Leaf Children's Crisis Residential Treatment Center Project
2. Supplemental Budget - Behavioral Health (1170-424)
3. DHCS - Legislative Priorities - Vendor Self Certification

PREVIOUS ACTION/REFERRAL:

Meeting of: 10/26/2021, 6/11/2024

File No.: 21-1417, 24-989