



Commission Meeting
A G E N D A
Monday, July 10, 2023, 6:00 pm
First 5 Contra Costa, Fish Bowl Conference Room
4005 Port Chicago Hwy., Suite 120, Concord CA 94520

The Commission meeting will be accessible in-person and via virtual webinar to all members of the public. Persons who wish to address the Commission during public comment or with respect to an item on the agenda may call in during the meeting by dialing 669-444-9171 or 669-900-6833 or use the “raise your hand” feature in the Zoom app. The Commission Chair may reduce or eliminate the amount of time allotted to read comments at the beginning of each item or public comment period depending on the number of comments and the business of the day. Your patience is appreciated.

Virtual Webinar Information:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/82958522265>

Webinar ID: 829 5852 2265

1.0 Convene, call to order, and roll call

2.0 Public Comment

The public may comment on any item of public interest within the jurisdiction of the First 5 Contra Costa Children and Families Commission. In accordance with the Brown Act, if a member of the public addresses an item not on the posted agenda, no response, discussion, or action on the item may occur.

3.0 Approve the Minutes from the June 12, 2023 Commission Meeting

Action

4.0 Approval of Consent Calendar

Action

A Commissioner or member of the public may ask that any of the following consent items be removed from the consent calendar for consideration under Item 4.

4.1 Accept the Minutes from the April 17, 2023 Executive Committee Meeting

4.2 Approve the Contracts Docket

4.2.1 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract with Contra Costa County Office of Education to provide rating and management of the Contra Costa Quality Rating and Improvement System (QRIS) in accordance with local implementation requirements and in alignment with regional and state QRIS efforts, in an amount not to exceed \$121,088, for term July 1, 2023 to June 30, 2024. FY 2023-24 budget line: Early Childhood Education Initiative: Early Learning Quality (\$487,032). Funded 17% (\$20,584.96) Prop 10 funds and 83% (\$100,503.04) F5 CA Improve and Maximize Programs So All Children Thrive (IMPACT) funds.

4.2.2 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract with Tandem, Partners in Early Learning to provide a book bag delivery system that train parents in read-aloud strategies, in an amount not to exceed \$160,743, for term July 1, 2023 to June 30, 2024. FY 2023-24 budget line: Early Childhood Education Initiative: Early Learning Quality (\$487,032). Funded 100% Prop 10 funds.

4.2.3 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract amendment with AAA Business Supplies Limited Partnership to increase the payment limit by \$5,000 (from \$49,000 to \$54,000) to oversee the purchase, delivery and set up of furniture for 4005 Port Chicago Hwy administration office for term to extend from June 30, 2023 to July 31, 2023. FY 2023-24 budget line: Professional Services: (\$462,500). Funded 100% Prop 10 funds.

4.2.4 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract with CocoKids, Inc. to provide Quality Improvement Navigation (QIN) coaching, ongoing technical assistance (TA), guidance and communication to QIS and QRIS sites, and support in local implementation of the QRIS, in an amount not to exceed \$102,900, for term July 1, 2023 to June 30, 2024. FY 2023-24 budget line: Early Childhood Education Initiative: Early Learning Quality (\$487,032) Funded 17% (\$17,493) Prop 10 funds and 83% (\$85,407) F5 CA Improve and Maximize Programs so All Children Thrive (IMPACT) funds.

4.3 Accept the First 5 Contra Costa June 2023 Program Reports

5.0 Consider for discussion any items removed from the consent calendar.

6.0 Recognize Lisa Morrell-Korb for 18 years of service as First 5 Contra Costa's Family Support Program Officer Discussion

7.0 Receive Staff Presentation of Family Child Care Partner Program Discussion

8.0 Receive Staff Presentation of Overview of the State Budget Discussion

9.0 Executive Director's Report Discussion

10.0 Communications Discussion

- ECPIC Letter: Concerns about the Current Proposal to Adjust the Mental Health Services Act
- Article: *What you need to know on the California budget deal*

11.0 Commissioner F.Y.I Updates

12.0 Adjourn Discussion

The First 5 Contra Costa Children and Families Commission will provide reasonable accommodations for persons with disabilities planning to participate in Commission meetings who contact the Commission's offices, at least 48 hours before the meeting, at (925) 771-7300.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the First 5 Contra Costa Children and Families Commission to a majority of members of the First 5 Contra Costa Children and Families Commission less than 96 hours prior to that meeting are available for public inspection at 4005 Port Chicago Highway, Suite 120, Concord, CA 94520 during normal business hours.

In consideration of those who may suffer from chemical sensitivities or who may have allergic reactions to heavy scents, First 5 Contra Costa requests that staff and visitors refrain from wearing perfume, cologne, or the use of strongly scented products in the work place. We thank you for your consideration of others.



**Commission Meeting
MINUTES**

Monday, June 12, 2023, 6:00 pm

First 5 Contra Costa, Fishbowl Conference Room

4005 Port Chicago Hwy., Suite 120, Concord CA 94520

1.0 Call to Order and Roll Call

Chair John Jones called the meeting to order at 6:03 PM.

Commissioners present during roll call were:

District 3: Lee Ross

District 4: Alternate Gareth Ashley

District 5: Chair John Jones

Board of Supervisors: Alternate Supervisor Ken Carlson

Health Department: Dr. Ori Tzvieli – participated remotely due to Just Cause

Health Department: Alternate Dr. Sefanit Mekuria

EHSD: Alternate Nicholas Bryant

Children & Families Services: Kathy Marsh

Also, in attendance during roll call were:

Stephen Siptroth, Assistant County Counsel

Commissioners not present during roll call were:

District 1: Dr. Rocio Hernandez

District 2: Marilyn Cachola Lucey

District 2: Alternate Vidya Iyengar

District 4: Matt Regan

Board of Supervisors: Supervisor Candace Andersen

EHSD: Dr. Marla Stuart

Children & Families Services: Alternate Roslyn Gentry

2.0 Public Comment

No comment from the public.

3.0 Approve the Minutes from the April 17, 2023 Commission Meeting.

The Chair asked if there were any questions regarding item 3.0. There were none.

The Chair asked for a motion to approve the minutes from April 17, 2023.

Commissioner Lee Ross made a motion, seconded by Commissioner Alternate Gareth Ashley to approve the minutes.

Roll call of vote:

Yes: District 3: Lee Ross
District 4: Alternate Gareth Ashley
District 5: Chair John Jones



Board of Supervisors: Alternate Supervisor Ken Carlson
Health Services: Dr. Ori Tzvieli
EHSD: Alternate Nicholas Bryant
Children & Families Services: Kathy Marsh

Nos: None

ABSTAIN: None

Absent: District 1: Dr. Rocio Hernandez
District 2: Marily Cachola Lucey
District 2: Alternate Vidya Iyengar
District 4: Matt Regan
Board of Supervisors: Supervisor Candace Andersen
EHSD: Dr. Marla Stuart
Children & Families Services: Alternate Roslyn Gentry

The motion was **APPROVED**.

Dr. Rocio Hernandez joined the meeting remotely due to Just Cause.

4.0 Approval of Consent Calendar *A Commissioner or member of the public may ask that any of the following consent items be removed from the consent calendar for consideration under item 5.0.*

Items 4.2.2 and 4.2.12 were removed by the Chair from the Consent Calendar for consideration in Item 5.0 and voting on the remaining items proceeded.

The Chair called for a motion to approve the Consent Calendar with the removal of 4.2.2 and 4.2.12.

Commissioner Alternate Ken Carlson made a motion to approve the Consent Calendar, seconded by Commissioner Kathy Marsh.

Roll call of vote:

Yes: District 1: Dr. Rocio Hernandez
District 3: Lee Ross
District 4: Alternate Gareth Ashley
District 5: Chair John Jones
Board of Supervisors: Alternate Ken Carlson
Health Services: Dr. Ori Tzvieli
EHSD: Alternate Nicholas Bryant
Children & Families Services: Kathy Marsh

Nos: None

ABSTAIN: None



Absent: District 2: Marilyn Cachola Lucey
District 2: Alternate Vidya Iyengar
District 4: Matt Regan
Board of Supervisors: Supervisor Candace Andersen
EHSD: Dr. Marla Stuart
Children & Families Services: Alternate Roslyn Gentry

The motion was **APPROVED**.

5.0 CONSIDER for discussion any items removed from the Consent Calendar. Before discussing items 4.2.2 and 4.2.12 the Chair asked for recusal statements to be read.

Dr. Ori Tzvieli made the following statement: I have an interest in Agenda item #4.2.2 and 4.2.12 because I am employed by the Contra Costa County Health Department, and this item directly impacts my department. I am recusing myself from these items and will be leaving the room.

Dr. Sefanit Mekuria made the following statement: I have an interest in Agenda item #4.2.2 and 4.2.12 because I am employed by the Contra Costa County Health Department, and this item directly impacts my department. I am recusing myself from these items and will be leaving the room.

Supervisor Alternate Ken Carlson made the following statement: I have an interest in Agenda item 4.2.2 and 4.2.12 because I am a Contra Costa County Supervisor and receive a salary and reimbursement for expenses from the County. However, I am not employed by the County Department that is directly involved in the contract with First 5 Contra Costa Children and Families Commission. I am not legally prohibited from voting on this item. Please record my disclosure in the Commission's minutes.

Commissioner Alternate Nicholas Bryant made the following statement: I have an interest in Agenda item 4.2.12 because I am employed by the Contra Costa County Employment and Human Services Department, and this item directly impacts my department. I am recusing myself from these items and will be leaving the room.

The Chair opened the discussion of item 4.2.2.

There were no questions regarding this item.

The Chair asked for a motion to approve item 4.2.2.

Commissioner Alternate Gareth Ashley made a motion, seconded by Commissioner Lee Ross to approve agenda item 4.2.2:

4.2.2 APPROVE and AUTHORIZE the Executive Director, or her designee, to execute a contract with Counseling Options & Parent Education Support Center Inc. to provide Triple P classes to parents with



children ages birth to 5 years old utilizing certified trainers with skill sets in serving the developmental needs of young children and their families throughout Contra Costa County, in an amount not to exceed \$144,014, for term July 1, 2023 to June 30, 2024. FY 2023-24 budget line: Early Intervention Initiative: Triple P Positive Parenting (\$194,655). Funded \$92,023 from Prop 10 funds, \$10,609 from Dean & Margaret Leshner Foundation and \$92,023 from Contra Costa Health Services-Behavioral Health Division/Mental Health funds.

Roll call of vote:

Yes: District 1: Dr. Rocio Hernandez
District 3: Lee Ross
District 4: Alternate Gareth Ashley
District 5: Chair John Jones
Board of Supervisors: Alternate Supervisor Ken Carlson
Children & Families Services: Kathy Marsh

Nos: None

ABSTAIN: None

Absent: District 2: Marilyn Cachola Lucey
District 2: Alternate Vidya Iyengar
District 4: Matt Regan
Board of Supervisors: Supervisor Candace Andersen
EHSD: Dr. Marla Stuart
Children & Families Services: Alternate Roslyn Gentry

The motion was **APPROVED**.

The chair opened the discussion of item 4.2.12.

There were no questions regarding this item.

The Chair asked for a motion to approve item 4.2.12.

Commissioner Kathy Marsh made a motion, seconded by Commissioner Alternate Ken Carlson to approve agenda item 4.2.12:

- 4.2.12. AUTHORIZE and RATIFY the Executive Director or her designee to execute a contract amendment with Moore Iacofano Goltsman, Inc. to increase the payment limit by \$6,200 (from \$75,000 to \$81,200) to coordinate and facilitate Contra Costa Children’s Leadership Council (CLC) meetings, activities and convenings. FY 2022-23 budget line: Professional Services: (\$516,000). Funded 100% Prop 10 funds.

Roll call of vote:

Yes: District 1: Dr. Rocio Hernandez
District 3: Lee Ross



District 4: Alternate Gareth Ashley
District 5: Chair John Jones
Board of Supervisors: Alternate Supervisor Ken Carlson
Children & Families Services: Kathy Marsh

Nos: None

ABSTAIN: None

Absent: District 2: Marilyn Cachola Lucey
District 2: Alternate Vidya Iyengar
District 4: Matt Regan
Board of Supervisors: Supervisor Candace Andersen
EHSD: Dr. Marla Stuart
Children & Families Services: Alternate Roslyn Gentry

The motion was **APPROVED**.

The Chair asked the recused Commissioners to rejoin the meeting.

Marilyn Cachola Lucey joined the meeting remotely due to Just Cause.

6.0 Public Hearing on the First 5 Contra Costa Strategic Plan for FY23/24 to FY25/26 and Long-Term Fiscal Plan

Chair John Jones opened the public hearing at 6:17 pm and turned it over to Dr. Ruth Fernandez, Executive Director. Ruth presented with Camilla Rand, Deputy Director; Pankti Clerk, Finance and Operations Director; and Sandra Naughton, Policy, Strategy, and Evaluation Director.

Every First 5 County Commission is required to have an adopted new or revised Strategic Plan and long-term plan to guide the Commission's investments, goals, and priorities that aligns with Prop 10, by statute, the Executive Team presented the new Strategic Plan for FY23/24 to FY25/26. They discussed the need to focus the next three years on sustainability in order to strengthen and advance the mission of First 5 Contra Costa. Ruth gave an overview of the intensive work that went into creating the Strategic Plan. She explained that in order to be sustainable for the long-term, First 5 will need to increase partnerships to leverage funding; make difficult decisions to pivot services that align to the mission and the three core areas of Early Childhood Education, Early Intervention and Strengthening Families; and determine what services our community partners are better equipped to provide.

During their presentation, the Executive Team referred to the Theory of Change that provides the frame for this Strategic Plan. The core values: 1) Diversity and Inclusion, 2) Equity, 3) Cultural Humility, and 4) Community Partnership, together with the guiding principles, provide the context to our work within the four core strategies: 1) Capacity Building, 2) Research, 3) Resource Connection, and 4) Advocacy and Community Engagement.

The Executive Team presented data on the changing demographics, community conditions, and changes in the early childhood systems landscape that impact the work. Based on several data



reports identifying community need, the following themes emerged: 1) more access to services, 2) more opportunities to learn, 3) an increased community voice and representation in decision making regarding services, and 4) access to culturally and linguistically responsive services throughout the county.

Additionally, the Executive Team provided a summary of the 3-year fiscal outlook including an early set of projections, which identified a significant reduction in Tobacco Tax revenue, and has shaped the development of the 3-year Strategic Plan. The long-term Fiscal Plan described in the Strategic Plan includes multiple strategies for long-term sustainability of First 5 Contra Costa, including the development of a 5-year Sustainability Plan and other strategies aimed at leveraging and maximizing available Prop 10 revenue with other public, private, and philanthropic funding.

The Executive Team presented the Strategic Roadmap which outlines how the agency will center its work on the three focus areas: Early Learning, Early Intervention, and Strengthening Families (formerly called Family Support). First 5 Contra Costa will primarily use its four core strategies and staff outlined several goals for work in each strategy area. Lastly, the agency will work on implementing the Strategic Plan by creating work streams and process improvements at an operational level.

The complete Strategic Plan is posted on the First 5 Contra Costa website:
<https://www.first5coco.org/wp-content/uploads/2023/06/First5ContraCosta-Strategic-Plan-2023.pdf>

After the presentation, the Executive Team heard comments and answered questions.

Commissioner Ross asked how much in philanthropic funding is available to First 5 for FY23-24. Pankti Clerk, Finance and Operations Director explained there is currently \$2 million, however, more funding is anticipated to help keep the agency fiscally solvent over the next few years.

Commissioner Ashley voiced his concern that changes may result in a decline in the activities regarding equity, parks, funding, and volunteerism, like the resident work through the regional groups. He again asked for assurances that any changes will not adversely affect resident volunteers and community engagement.

Ruth reiterated the need for sustainability and focusing resources in areas that will best ensure a continuation of First 5's mission. She restated that part of First 5 Contra Costa's fiscal reality, will require taking a strategic and incremental shift in what and how the Commission funds programs, activities, and services – which will involve shifting away from investments that are outside the scope of the Core Focus Areas and that might be better aligned with local community partner organizations. Ruth also assured the Commission that staff are committed to working in partnership with the community when planning transitions in programming and investments.

Chair Jones also commented that the Commission should work in partnership with staff who are charged with designing and leading the processes to accomplish Strategic Plan goals and outcomes.



There were no public comments.

The Chair closed the public hearing at 7:04pm and asked for a motion to adopt item 6.0.

Commissioner Kathy Marsh made a motion, seconded by Commissioner Lee Ross to approve agenda item 6.0:

Roll call of vote:

Yes: District 1: Dr. Rocio Hernandez
District 2: Marilyn Cachola Lucey
District 3: Lee Ross
District 5: Chair John Jones
Board of Supervisors: Alternate Supervisor Ken Carlson
Health Services: Dr. Ori Tzvieli
EHSD: Alternate Nicholas Bryant
Children & Families Services: Kathy Marsh

Nos: None

ABSTAIN: District 4: Alternate Gareth Ashley

Absent: District 2: Alternate Vidya Iyengar
District 4: Matt Regan
Board of Supervisors: Supervisor Candace Andersen
EHSD: Dr. Marla Stuart
Children & Families Services: Alternate Roslyn Gentry

The motion was **ADOPTED**.

7.0 Receive staff presentation of the refreshed First 5 Contra Costa website.

Sandra Naughton, Policy, Strategy, and Evaluation Director gave a presentation on the progress of the planned refresh of the First 5 Contra Costa website. She provided a preview of the webpages and explained the new navigation is intended to lead the audience to connect with programs and contacts.

She requested of the Commission to: 1) help promote the new website, and 2) identify families who are not familiar with First 5 to review the new site and provide feedback before it goes live at the end of July.

After the presentation, Commissioner Ross asked if other languages will be available. Sandra shared a Spanish version will be available.

Commissioner Marsh asked if there will be a Resource page with quick answers. Sandra answered yes, but it will be limited because the goal is to connect the audience to an active services broker/resource person.



Commissioner Jones asked for any public comments or questions.

Via the chat in Zoom, LaTrena Robinson made a recommendation to add quick access links to the First 5 Centers to better serve busy parents. Sandra affirmed there will be quick access links available on the website.

8.0 Communications

The following documents were included in the packet and informational items:

- Board of Supervisors Approved Conflict of Interest Code for First 5 Contra Costa
- First 5 Association of California letter outlining MHSA Proposal Concerns
- Early Care and Education (ECE) Coalition Letter: ECE Priority Asks for FY 23/24 Budget

Commissioner Gareth asked if the changes to the Conflict-of-Interest policy were related to Managers. Ruth responded, yes; and added that revisions also included new hires and their specific job titles.

9.0 Commissioner F.Y.I. Updates

10.0 Adjourn

The meeting adjourned at 7:20 PM.

The First 5 Contra Costa Children and Families Commission will provide reasonable accommodations for persons with disabilities planning to participate in Commission meetings who contact the Commission's offices, at least 48 hours before the meeting, at (925) 771-7300. Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the First 5 Contra Costa Children and Families Commission to a majority of members of the First 5 Contra Costa Children and Families Commission less than 96 hours prior to that meeting are available for public inspection at 4005 Port Chicago Highway, Suite 120, Concord, CA 94520 during normal business hours. In consideration of those who may suffer from chemical sensitivities or who may have allergic reactions to heavy scents, First 5 Contra Costa requests that staff and visitors refrain from wearing perfume, cologne, or the use of strongly scented products in the workplace. We thank you for your consideration of others.



Executive Committee Meeting
MINUTES
Monday, April 17, 2023 at 5:00 PM
4005 Port Chicago Highway, Suite 120, Concord, CA 94520

1.0 Convene and Call to Order

Meeting called to order at 5:05 p.m.

In attendance: Chair, John Jones; Vice Chair Dr. Rocio Hernandez; and Secretary/ Treasurer, Matt Regan.

Remote Attendance: Marilyn Cachola-Lucey.

Staff present: Executive Director, Ruth Fernandez; Deputy Director, Camilla Rand; Policy and Strategy Director, Sandra Naughton; Finance and Operations Director, Pankti Clerk; Human Resources Manager, Tammy Henry.

2.0 Closed Session

The Chair asked the staff present to exit the room and started closed session at 5:10pm.

Chair Jones ended the closed session at 5:50pm and called staff to return to the room to resume open session.

3.0 Public Comment

None

4.0 Approve the minutes of the Executive Committee meeting of February 13, 2023.

Matt Regan made a motion seconded by Marilyn Lucey.

Roll-call Vote:

John Jones – Yes

Dr. Rocio Hernandez – Yes

Matt Regan – Yes

Marilyn Lucey - Yes

Minutes **Approved**

5.0 CONSIDER accepting the report on significant program, financial or contracts matters, and on any personnel matters relating to Commission staff.

Staff provided a high-level overview of the FY23/24 Budget, budget assumptions and implications. Budget was prepared with the most up to date information available from the State on Proposition 10 revenue projections and state grants from First 5 California.

Ruth provided brief comments on the strategic planning process in preparation for the new three-year Strategic Plan for FY23/24-FY25/26. She mentioned the three staff work groups that are informing the content for the strategic plan in the following areas: Sustainability; Capacity Building; and Advocacy and Community Engagement. Staff are working diligently to complete a draft Strategic



Plan to present to the Commission at the June Commission Meeting. Ongoing discussions are taking place to re-evaluate First 5's role and strategies to support programs, services and activities that are better led by other local entities/partners that focus on issue areas that fall outside of the three core focus areas of Early Childhood Education, Early Intervention and Family Support.

- 6.0 CONSIDER** accepting amended Conflict of Interest Code for the Contra Costa County Children and Families Commission
Commissioner Regan made a motion seconded by Commissioner Dr. Hernandez.

Roll-call Vote:

John Jones – Yes

Dr. Rocio Hernandez – Yes

Matt Regan – Yes

Marilyn Lucey - Yes

- 7.0 CONSIDER** accepting the report on statewide activities pertaining to children 0-5, including the activities of the First 5 Association of California, First 5 California, and other statewide advocacy groups.

Ruth mentioned that she would cover state updates during the Commission's ED Report.

- 8.0 Communications**

2023 Brown Act Updates – Teleconferencing Guidelines provided in the packet.

- 9.0 Adjourn**

Meeting Adjourned at 6:01 p.m.

The public may comment on any agenda item or any item of public interest within the jurisdiction of the First 5 Contra Costa Children and Families Commission. In accordance with the Brown Act, if a member of the public addresses an item not on the posted agenda, no response, discussion, or action on the item may occur.

The First 5 Contra Costa Children and Families Commission will provide reasonable accommodations for persons with disabilities planning to participate in Commission meetings who contact the Commission's offices, at least 48 hours before the meeting, at (925) 771-7300.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the First 5 Contra Costa Children and Families Commission to a majority of members of the First 5 Contra Costa Children and Families Commission less than 96 hours prior to that meeting are available for public inspection at 4005 Port Chicago Highway, Suite 1200, Concord, CA 94520 during normal business hours.

In consideration of those who may suffer from chemical sensitivities and may have allergic reactions to heavy scents, First 5 Contra Costa requests that staff and visitors refrain from wearing perfume, cologne, or the use of strongly scented products in the workplace. We thank you for your consideration of others.

Family Support

*Our **Family Support (FS)** initiative helps families build healthy relationships, strengthen support systems, and nurture their children's development.*

First 5 Centers' Transition

Once the Request for Qualifications process was complete, Lisa Korb, Family Support Program Officer was able to begin contract negotiations and finalize transition plans for the two First 5 Centers that will transition from our current contractor to a new operator.

Lincoln Families will be operating the East County First 5 Center. First 5 is excited to welcome another operator to the First 5 Center contractors. Rooted in the Pittsburg and Antioch communities through their work with schools and youth, Lincoln Families will add a new department and perspective to our network of Centers. Their experience as a Family Resource Center (FRC) operator in West Oakland, operating the Mandela FRC, promises to add even further insight to our work in Contra Costa.



The East County First 5 Center will have an informal "Meet and Greet" with families on July 7 from 12:00 – 2:00 pm. This is when families will meet one of the "faces" of Lincoln Families, Chris Nguon who will be able to reassure everyone that when the doors open the following week they will be greeted by familiar faces. Lincoln has hired staff and a consultant to help prepare them for their new role. First 5 looks forward to orienting and working with Lincoln Families in the coming months.

Bay Area Community Resources (BACR), the long-time operator of our West County First 5 Center, has hired all the existing Monument First 5 Center staff and will start their year with some strategic planning. They plan to open for drop-in programming July 17.

The Antioch/Delta First 5 Centers will now be two separate entities, each having their own Center Director and dedicated staff, and Aspiranet will continue to be the operator of these two sites. The Delta First 5 Center will open in July and be available to Antioch families up until August 15 when Aspiranet hopes to have the staff in place to reopen the Antioch First 5 Center.

Family Economic Security Partnership

*The **Family Economic Security Partnership (FESP)** is a public, private and nonprofit collaboration dedicated to increasing the income and building the assets of low-income families and individuals living in Contra Costa County.*

Featured at the Children's Leadership Council Convening

FESP was featured at the [Contra Costa Children's Leadership Council](#) convening on June 21 at the Perera Pavilion in Pleasant Hill. Sandra Naughton, First 5 Policy, Strategy, and Evaluation Director, spoke during a segment that featured an "overview of collaborative projects" around the county and was one of nine projects that were highlighted by speakers from First 5, Contra Costa Health, and Employment and Human Services.



PROGRAM UPDATES

June 2023



During the convening, there was an expo that included tables set up for attendees to learn more about projects, organizations, and services around the county. Sandra and Jessica Keener, First 5 Ready Kids East County Initiative Coordinator, passed out "FESP dollars" that featured information about FESP, contact info, and invited attendees to play a Spin the Wheel game with trivia related to poverty in our county, self-sufficiency in our county, and FESP activities. Many of the attendees signed-up for the first time to receive FESP-related communications.

Early Intervention

*Our **Early Intervention (EI)** initiative aims to ensure that families have access to prevention and early intervention supports and services that foster the optimal development of all children.*

The Results Are In

First 5 Contra Costa received our Help Me Grow (HMG) Annual Fidelity/Sustainability summary report from HMG National. The report details each of the required HMG System Activities and Core Components with the highest level of functioning being the implementation stage. First 5 Contra Costa meets these standards across all its activities and core components.

Hub Activities

Staff Development

Emily Hampshire, Resiliency and Trauma Coordinator, is officially certified as a Trauma Informed Care 101 trainer. Congratulations Emily!

Collaborations

In continuing our relationship with the Family Violence Prevention Coalition, we attend quarterly meetings and engage in dialogue around how our county can move upstream and focus on prevention and public health models in our work. The next Coalition meeting will be open to the community on July 13, and will include updates on the new Contra Costa Health gun violence prevention coalition/project.

Training

The Contra Costa Network of Care Hub offered a training by the [MISSEY Organization](#) on human trafficking on June 8. Twenty-four participants took part in the training and the workshop aimed to engage and educate community members about human trafficking and commercial sexual exploitation. Speaker Andrea Diaz, Training Institute Manager, provided a general understanding of these issues as well as an in-depth discussion of the intersections at which trafficking, and exploitation occur. Participants gained an increased understanding of what children, and their caregivers are experiencing, best practices on how we engage with those impacted, and how as members of the community we can be sources of support. Evaluation responses showed that participants found the workshop to beneficial.



Safe Spaces

The Office of the Surgeon General is launching a new professional training program on June 30 - [Safe Spaces: Foundations of Trauma-Informed Practice for Educational and Care Settings.](#)

PROGRAM UPDATES

June 2023



Early Childhood Prevention and Intervention Coalition (ECPIC)

ECPIC members submitted a letter to state legislators regarding potential changes to the Mental Health Services Act funding categories. The members voiced concerns about removing existing state requirements related to MHSA funding at the county level. The members are advocating for continuing the existing structure and adding a requirement to designate a specific percentage of funding for children ages 0-5.

Early Childhood Education

Our **Early Childhood Education (ECE) Initiative** aims to ensure that all children have access to high-quality, affordable child care and early learning.

Ready Kids East County (RKEC) Initiative

Tandem, Partners in Early Learning

Tandem, Partners in Early Learning has launched their asynchronous, or at-home, version of their “Give Me Five Math” program. “Give Me 5 Math @ Home” is a self-paced, play and learn series for families to explore early math concepts together. 30 children—nearly half of whom were identified by parents or caregivers to be Black or African American—have been enrolled to take part in the East Contra Costa County summer 2023 cohort. As part of the program, each child receives 5 kits, each packed with books and materials for engaging and hands-on activities that focus on developing family math skills. Families have started picking up their kits from the Antioch and Pittsburg libraries, who are serving as partner locations where families can go and pick up their materials. Families will be able to stay connected and check in through a cohort Facebook Group over the next several weeks.



Lil Libraries Around Town

Tandem set up “Lil Libraries Around Town,” a program that will be community-based and seeks to increase the quantity and quality of literary materials available for Black and African American children ages birth to five years old in East Contra Costa County. Ten barbershops in Pittsburg and Antioch have agreed to participate in the program and at least five of the small businesses are owned by Black or African American proprietors. These literacy stations will be stocked with high-quality books that are also culturally and linguistically relevant. After children read or engage with a certain number of books, they will be eligible to receive a free service from the barber and/or hairdresser paid for through funds from the Ready Kids East County grant.

Contra Costa Children’s Leadership Council

The **Contra Costa Children’s Leadership Council (CLC)** strives to serve as the ‘Big Tent’ for our children—a space for all child- and youth-serving organizations to connect and innovate solutions to local issues.

CLC hosts first In-person Convening since 2018

On June 21, the CLC hosted its first in-person convening since 2018 at the Perera Pavilion in Pleasant Hill. An estimated 125 people had the opportunity to learn more about several county-wide collaborative projects aiming to improve systems and outcomes for children and families. The convening featured speakers from organizations around the county including First 5 Contra Costa, Contra Costa Health, Employment and Human Services, as well as Supervisor Candace Anderson, Supervisor Ken Carlson, and Supervisor John Gioia.

PROGRAM UPDATES

June 2023



The day also featured a panel on how “Collaboration Makes a Difference” that featured Wanda Davis (First 5 Contra Costa), Kathy Marsh (Employment and Human Services), and Safanit Mekuria (Contra Costa Health and First 5 Alternate Commissioner). Other discussions included trauma-informed practices and approaches, guaranteed income for childcare workers, Black infant health, perinatal health, workforce programs for youth, oral health—as well as reflection activities and affinity break-out groups for young children, school-age children, youth, and families. The afternoon ended with closing remarks from Anna Roth, Chief Executive Officer of Contra Costa Health and a call to action from Marla Stuart, Director of Contra Costa Employment & Human Services Department.

The excitement and energy from the audience was high and many of the early feedback has been “we need more of this.” Here are a few photos from a day filled with collaboration and conversations:



Executive Director's Report

COMMISSION MEETING

JULY 10, 2023



Internal Updates

- **Staffing:**
Recruitment In-Progress
- **Operations:**
Started Annual Audit Cycle and Closing FY 22/23
- **Organizational Strategies:**
Developing Department Workplans
- **Website Refresh:**
Launch End of July



County Updates

- CLC 1st In-person Convening on June 21, Huge Success!
- Congressman DeSaulnier visits First 5 Contra Costa
- Asset Funders Network Webinar: *“Guaranteed Income: Centering Community Voices in Policy Advocacy and Design”*
- First 5 Center Transitions
- Measure X Updates



State Updates

- Regional Home Visiting and IMPACT Legacy Applications
- First 5 Association Updates



June 22, 2023

Governor Gavin Newsom
1021 O Street, Suite 9000
Sacramento, CA 95814

Senator Nancy Skinner, Chair
Senate Committee on Budget and Fiscal Review
1020 N Street, Suite 503
Sacramento, CA 95814

Assemblymember Phil Ting, Chair
Assembly Budget Committee
1021 O Street, Suite 8230
Sacramento, CA 95814

Secretary Mark Ghaly
California Health & Human Services Agency
1215 O Street
Sacramento, CA 95814

Re: Concerns about the Current Proposal to Adjust the Mental Health Services Act (MHSA)

Dear Governor Newsom, Senator Skinner, Assemblymember Ting, and Secretary Ghaly:

The Contra Costa County Early Childhood Prevention & Intervention Coalition (ECPIC) has concerns about some of the current proposals to adjust the Mental Health Services Act (MHSA) that we feel will jeopardize the mental health and well-being of our county's youngest and currently underserved population: children ages 0 to 5 years old.

We are concerned about the proposal to eliminate the requirement that counties set aside 20% of MHSA expenditures for prevention and early intervention, and the requirement that they use 51% of those prevention and interventions funds on children ages 0 to 25 years old. We fear that removing these requirements will reduce our county's investment in upstream, evidence-based prevention services that children in our county desperately need, given the immense unmet needs that also exist among our adult populations with severe mental illness. While we are hopeful that our county will proactively work to serve all populations in need, currently MHSA funds are one of the most significant sources of funding for prevention-focused services for ages 0 to 5.

Our county, like so many others, need a safeguarded source of public funding to support upstream prevention mental health services for young children, starting at birth through their first five critical years of development, to reach their full potential. Research shows that the brain development of infants and toddlers is more rapid and foundational than that of any other age group, and that babies' earliest relationships and experiences shape the architecture of their brain which has lifelong impacts on their well-being.

Based on our collective experience working with young children and families in Contra Costa County, we the members of the county-wide, multi-disciplinary Contra Costa Early Childhood Prevention and Intervention Coalition (ECPIC) recommend that counties be required to spend a minimum percentage of MHSAs funds on prevention and intervention services, as well as being required to spend a minimum percentage of MHSAs funds on their youngest population-prenatal through age 5. Among the ECPIC members are several early childhood mental health community-based organizations who have decades of experience serving families in Contra Costa County. These members have witnessed first-hand the difference that early intervention and treatment can mean for a young child and their family. We have seen successful examples where early childhood mental health consultations, home visiting, developmental playgroups, parenting education and parent support groups have transformed the trajectory of children's and families' lives. Unfortunately, they have also witnessed far too many local families whose mental health needs were not met due to a scarcity of resources.

We strongly recommend that MHSAs retain a requirement that counties spend a minimum percentage of funding on prevention and intervention, in addition to a required minimum percentage on children ages 0 to 5.

Sincerely,

Contra Costa County Early Childhood Prevention & Intervention Coalition (ECPIC)

ECPIC members apply their expertise in early childhood mental health to advocate for the prioritization of the social emotional needs of young children (prenatal-6 years old) in state and county systems.

Member Organizations:

- CoCoKids
- Contra Costa ARC/Lynn Center
- Contra Costa Crisis Center
- Contra Costa Employment and Human Services Department, Community Services Bureau
- Early Childhood Mental Health Program
- First 5 Contra Costa
- We Care Service For Children

What you need to know on the California budget deal



BY SAMEEA KAMAL AND ALEXEI KOSEFF

JUNE 27, 2023



Gov. Gavin Newsom unveils his budget proposal for the 2023-24 fiscal year during a press briefing at the California Natural Resources Agency in Sacramento on Jan. 10, 2023. Photo by Miguel Gutierrez Jr., CalMatters

[Listen to this article](#)

IN SUMMARY

After weeks of negotiations, the governor and top Democrats in the Legislature say they have a budget deal. Legislators will start voting today on bills related to the agreement, which sets spending and policy across a wide range of issues affecting Californians.

Just in time for the start of a new fiscal year July 1, Gov. Gavin Newsom and legislative leaders [announced Monday night](#) that they have reached a deal on the state budget — [a \\$310 billion spending plan](#) that they say protects core programs and covers a \$30 billion-plus deficit without dipping into key reserves.

Despite largely agreeing on the overall structure for weeks, budget negotiations were delayed by the governor's demands to include a sweeping infrastructure proposal that many lawmakers resisted. The final compromise narrows the types of projects that can take advantage of an expedited approval of permits, leaving out a contentious proposed water conveyance tunnel under the Sacramento-San Joaquin River Delta.

“We are accelerating our global leadership on climate by fast-tracking the clean energy projects that will create cleaner air for generations to come,” Newsom said in a statement.

Senate President Pro Tem [Toni Atkins](#), a San Diego Democrat, said she was “heartened” that the leaders agreed on the infrastructure package, and “in a way that focuses on equity by laying the groundwork to ensure that our most vulnerable communities will be hired first on impactful state infrastructure projects.”

[The governor and legislative leaders also touted](#) that they were able to preserve money for education and social service programs, and increase money for childcare providers.

Newsom also noted that the budget includes accountability measures for transit and homelessness, and tax credits for some industries.

“This is a budget for the future,” said Assembly Speaker [Anthony Rendon](#), a Lakewood Democrat who is scheduled to hand over the speaker's gavel to Assemblymember [Robert Rivas](#), a Salinas Democrat, on Friday [under a negotiated transition](#).

If all goes to plan, the main budget bill will be approved by both the Assembly and Senate today and signed by Newsom soon after. The Legislature began publishing a series of budget-related bills — reflecting agreements in specific policy areas — online Saturday morning to fulfill a requirement that they be available for public review for 72 hours before any votes.

Democratic lawmakers [already passed a budget](#), reflecting their own priorities, on June 15 in order to meet a constitutional deadline. That kicked off a 12-day window for Newsom to sign or veto the bill, increasing pressure on the two sides to reach a deal by Tuesday.

This year's negotiations were more fraught due to a \$31.5 billion deficit, a sharp contrast with [record budget surpluses](#) the last two years. The deficit is the result of a downturn in the stock market — a [volatile but significant source](#) of California's state revenues because of its reliance on income taxes, especially those of high earners. Bracing for potential further revenue declines, the budget deal allows the governor to delay, with notification to the Legislature, one-time spending commitments before March 1.

The [budget process this year](#) was also made more complicated when many Californians were granted until October, instead of April, to file income tax returns because of storm-related disaster declarations, which made it hard to pin down a precise figure on the state's revenue.

Add to that Newsom's [insistence that legislators approve](#) his recent proposal to [overhaul the permitting process](#) for major infrastructure projects by changing the landmark California Environmental Quality Act, a move that some housing advocates and developers have demanded for years.

The governor wanted a package of 11 measures, alongside the main budget bill, that aim to streamline the permitting process among federal, state and local governments; limit the time courts have to hear challenges on environmental reviews; and increase funding to state agencies.

Lawmakers pushed to consider the plan outside of the budget process so they would have more time to review its potential effects and to [exempt the proposed Delta tunnel](#) from the changes. That contentious \$16 billion project would send water from the Sacramento-San Joaquin Delta south to 27 million people and 750,000 acres of farmland.

Here are some other highlights of the deal — how much the state plans to invest in other key policy areas that have been sticking points since Newsom kicked off the budget process in January [with his initial proposal](#).

Social services and the safety net

Low-income families who receive state subsidies to pay for child care would see a [near-elimination of copayments](#) known as “family fees” under the budget bills that are part of the Legislature's agreement with Newsom.

The fees, which can be hundreds of dollars a month for families, have been waived throughout the pandemic but were [set to return](#) at the end of September. Under the tentative agreement, families would not have to pay more than 1% of their incomes toward the fees.

The budget bills also include funding to raise pay for child care providers, [who have demanded](#) an immediate 25% increase in reimbursement rates (amounting to \$1 billion a year) and a long-term plan to overhaul how those rates are calculated.

But how the funding gets doled out — whether the funding is a permanent raise or a temporary stipend — remains a sticking point between Newsom’s administration and the child care providers’ union. The parties are still bargaining a new labor contract for providers days before the current one expires.



Patricia Moran watches children enrolled at her at-home daycare in San Jose on Nov. 2, 2022. Photo by Laure Andrillon for CalMatters

In addition to other funds intended to help communities across the state recover from this year’s storms and flooding, the budget plan would provide direct relief to the towns of Planada and Pajaro. Both towns were

partially under water after the winter storms. Now they are slated to receive \$20 million each to help residents recover, [regardless of their citizenship or legal status](#).

The agreement kills a proposal to create an unemployment insurance program for undocumented workers, who are ineligible for jobless benefits. Advocates had hoped to start a pilot program; then pushed instead for a working group to study the issue. Neither got the administration's agreement in the budget.

The tentative agreement also includes \$500 million to make permanent a temporary 10% increase in welfare benefits for recipients of CalWorks, the state's cash aid program. But lawmakers couldn't reach an agreement with Newsom's administration on an Assembly [proposal to loosen work requirements](#) and lessen financial penalties for recipients, which could have weakened the ties between welfare and work and focused more on supportive social services that could help a family in crisis.

The Legislature did get its way in the agreement by rejecting a Newsom proposal to use half of the state's \$900 million in reserves for social safety net programs, with lawmakers reasoning the reserves should be saved for worse budget years.

— [Jeanne Kuang](#) and [Nicole Foy](#)

A hit on climate programs

A multiyear commitment to battle climate change took a \$2.9 billion hit in the final budget agreement announced between Newsom and the Legislature.

Programs aimed at climate resilience — making the state capable of withstanding some of the impacts of changing conditions — took some of the biggest cuts, losing \$964 million. Sustainable agriculture and drought and water resilience also saw cuts.

The deal retains \$51.4 billion in climate projects out of \$54.3 billion that was initially established in the 2021 and 2022 state budgets, according to Newsom's finance department.

The \$2.9 billion cut amounts to a 5% reduction in funding for climate projects originally championed by Newsom. It's less than the [\\$6 billion cut that the governor proposed in January](#) and the \$5 billion cut outlined in a June 15 budget proposal approved by the Legislature.

About \$10 billion in programs that will help the state reach its [zero-emission vehicle mandate](#) — which Newsom originally proposed cutting — remain in the new budget agreement.

Newsom finance spokesperson H.D. Palmer said an additional \$888 million for climate-related projects outside of the original climate budget had also been added to the final deal.

Newsom, announcing his agreement with the Legislature Monday night, said his budget preserves the state's "global leadership on climate."



Downtown Los Angeles is shrouded in early morning coastal fog and smog. Photo by Richard Vogel, AP Photo

But environmentalists have raised concerns that the reductions would keep California from meeting its targets for cutting greenhouse gas emissions and other air pollutants.

"These climate budget rollbacks undercut our state's ability to meet our climate goals — pure and simple," Mary Creasman, chief executive of the advocacy group California Environmental Voters, said in a statement ahead of the final announced budget deal. "The climate crisis isn't taking a break in 2023, that much is clear, and neither can our climate action."

Senate leaders in April [proposed restoring some of the climate cuts](#) but the governor’s office rejected that plan because it depended largely on tax increases and suspending corporate tax credits.

Environmentalists said even some of the wins will have mixed results.

For instance, regional transit agencies will be able to use money slated for clean energy infrastructure and the purchase of zero-emission buses for general operations instead, said Jamie Pew, a fellow with NextGen Policy.

Given how central a role public transportation plays in meeting greenhouse gas targets, prioritizing transit is important, Pew said.

“We love electric buses and want to see more of them and want to electrify the entire fleet but there is not much point to running electric buses if you don’t have a transit system,” Pew said. “It hurts to have to make that tradeoff, but from my perspective it is an acceptable one to make in this budget situation.”

To make up for the cuts, Newsom has said he is seeking federal climate funding from the Inflation Reduction Act and the Infrastructure Investment and Jobs Act. He also has asked the Legislature to seek voters’ approval of a climate bond, ranging from \$6 to \$16 billion.

— [Alejandro Lazo](#)

A mixed bag for K-12 education

The budget includes a historic, 8.22% cost-of-living adjustment for California’s public schools. The total Proposition 98 funding for the 2023-24 fiscal year will be \$108.3 billion. But the governor and the Legislature also agreed to some hefty cuts.

First off is the \$200 million decrease to the Arts, Music, Instructional Materials Discretionary Block Grant. Despite its name, school districts were allowed to use this money on everything from facilities to salaries. In January, Newsom proposed slashing \$1.8 billion, but his office ultimately agreed to go with the Legislature’s smaller cut.

The governor and Legislature also met in the middle to reduce the Learning Recovery Block Grant by \$1.6 billion, leaving \$6.3 billion available to districts for helping students recover from pandemic-era learning loss.



Students collaborate on solving additional problems inside Bridgette Donald-Blue's classroom at Coliseum Street Elementary in Los Angeles on Feb. 28, 2023. Photo by Pablo Unzueta for CalMatters

In a big win for dyslexia advocates, the budget includes \$1 million for the California Department of Education to form an independent task force that would compile a list of screening tools used to test students for difficulties with reading. California is currently [one of 10 states](#) that doesn't screen all students for dyslexia, despite having a governor who's been outspoken about his past struggles with the learning disability.

The \$1 million is just the beginning. Districts will be required to screen all students starting in the 2025-26 school year, using one of the tools approved by the task force. Advocates, [including classroom teachers](#), say it's long overdue.

The budget also includes a \$300 million ["equity multiplier"](#) allocated for schools with the highest concentrations of "socioeconomically disadvantaged" students, which includes students from low-income households, students experiencing homelessness and students whose parents did not graduate high school.

The state will also require districts receiving equity-multiplier funding to create plans to support student groups who performed lowest on one or more of the categories included in the [California School Dashboard](#), which tracks suspension rates, test scores, chronic absenteeism and graduation rates. This component of the equity multiplier was not in Newsom's original proposal and suggests concessions to advocates for Black students who had fought for all of this money to go to Black students, who are the lowest-performing on [standardized tests](#) throughout California.

— [Joe Hong](#)

More in-state slots at UC, CSU

More admissions letters for California undergraduates, a fulfilled promise to increase state support for public universities, vows to further grow the state's financial aid program for the middle class, and expanded affordable student housing [are the key features](#) in the deal crafted by the Legislature and Newsom.

The University of California will need to enroll [7,800 more in-state undergraduates](#) this fall and be expected to educate another 8,800 California students by 2026.

The move doubles down on the state's commitment [to maintain access to the selective public institution](#). Part of the plan includes giving [the UC \\$30 million to enroll 900 fewer out-of-state students](#), who pay three times as much in tuition, to make way for an equal number of California residents.

Under the same deal, the California State University system is expected to grow its in-state undergraduate enrollment [by 4,000 students](#) for the coming academic year and add another 20,000 seats by 2025.

While the budget deal fulfills Newsom's ongoing promise that state funding for the UC and CSU grow by 5% each it won't be enough money to address the CSU's [recent revelation](#) that they take in far less revenue than they need to support their students.



Students walk through the Fresno State campus on Feb. 9, 2022. Photo by Larry Valenzuela for CalMatters

The Middle Class Scholarship is also set to get a previously promised \$227 million this fall, which should net most in-state UC and CSU undergraduate students [several hundred more dollars](#) toward their education this fall.

The deal so far also ensures [\\$2.2 billion in affordable student housing grants](#) is on the way — enough for at least 11,000 beds. The UC, CSU and community colleges were going to receive state funding directly, but will now be expected to issue bonds that the state will pay off. The funding switch shouldn't slow down campus construction, an analyst at Newsom's Department of Finance told CalMatters.

Finally, the three systems will gain access this year to another \$200 million in [zero-interest loans](#) to build student and staff housing — part of a revised plan to ultimately receive \$1.7 billion in state loans by 2028, short of the original \$1.8 billion by 2024-25 promised last year.

— [Mikhail Zinshteyn](#)

Fixing a typo on community college funding

In addition to a financing change for student housing — instead of cash financing, community colleges will have to issue bonds, which will free up more money this year — the budget deal fixed the governor's prior typo: [All colleges — not just Los Angeles — will see new funding for LGBTQ students.](#)

The deal also includes new reporting requirements about CalFresh in an effort to promote more collaboration between county agencies and the UC, CSU, and community college administrators who sign students up for food benefits. The requirements come after a change from the federal government has put [some students in jeopardy of losing their benefits.](#)

— [Adam Echelman](#)

Status quo on homelessness

The proposed budget also allocates funding to one of the state's most pressing problems — its massive homelessness crisis. It pours \$1 billion into round five of the state's Homeless Housing, Assistance and Prevention program, which doles out money local officials can use for housing, outreach at encampments, emergency shelters and more.

This marks the third year in a row the program would receive \$1 billion from the state budget. Collectively, the state has [allocated nearly \\$21 billion to housing and homelessness](#) since the 2018-19 fiscal year, according to the Legislative Analyst's Office.

But this year's figure is sure to disappoint homeless advocates and local government leaders who wanted more from the Newsom administration.



A person walks by a homeless encampment in downtown Los Angeles on Nov. 18, 2022. Photo by Larry Valenzuela for CalMatters/CatchLight Local

With an estimated 171,521 unhoused residents, California is [home to nearly one-third of the country's entire homeless population](#). And local leaders and activists say Newsom's current approach — handing out one-time grants every year instead of guaranteed ongoing funding — is hampering their efforts to make a dent in the problem. The League of California Cities, which [asked for a guaranteed \\$3 billion a year](#), earlier this month said it's "incredibly disappointed" in the budget's lack of ongoing funding.

— [Marisa Kendall](#)

New money for down payments

In the final hours of negotiations, a few big-ticket spending programs on housing were saved from the chopping block.

Earlier this year, the governor proposed closing the deficit in part by clawing back funds set aside for a [downpayment assistance program](#). The California “Dream For All” program was open for just 11 days this spring buyers hoovered up its initial \$300 million allocation. But over Newsom’s earlier objections, the fund will be reinflated with another \$200 million.

The final budget also restores \$50 million each for two grant programs — one to help homeowners get started on [building secondary units](#) and another for [first-time homebuyers](#).

And the city of [Fresno will be getting \\$250 million](#) to update and revitalize its downtown infrastructure, but over three years, and not all at once as Newsom initially proposed.

But budgets aren’t just about spending money. Sometimes they’re used to make — or, in this case, underscore — policy.

Case in point: The city of Santa Ana was called out in all but name in the final budget.

Just last week, the Orange County city opted to exempt vast swaths from two state laws designed to make it easier for developers to convert old strip malls, parking lots and defunct office buildings near public transit into new apartments. The Legislature passed the [streamlining bills last year](#) and they are set to go into effect on July 1.

On June 20, the Santa Ana City Council exempted more than 600 parcels, instead putting forward alternative sites for fast-tracked development. That was over the objections of state housing regulators, who questioned whether the new proposed sites [would actually allow for enough new housing to make up for the exempted parcels](#).

The resolution in Santa Ana passed easily, so any disagreement the state still has may have to be resolved in court. But if any other cities are planning to try the same maneuver, California’s budget-making legislators are one step ahead of them.

Call it the [city of Santa Ana honorary anti-loophole amendment](#): The budget now stresses that if a city exempts a commercial parcel from fast-tracked conversion, it has to make up for it by fast-tracking permitting at an alternative site that realistically could provide just as much housing, if not more.

— [Ben Christopher](#)

A big deal for Medi-Cal

The final budget deal provides more detail on how the state will use revenue from its Managed Care Organization tax, levied on Medi-Cal and commercial health insurance plans and that helps the state receive matching federal dollars. (Health plans agree to this tax because they are eventually paid back.)

This MCO tax is set to generate \$19.4 billion for the state from April 2023 through the end of 2026. About \$11 billion of that will be used in part to boost pay for Medi-Cal providers, who have long criticized the state for its low reimbursement rates that they say limits the number of low-income people they can serve. The rest will be used to help cover shortfalls in the upcoming and future state budgets.

In the 2023-24 budget, specifically, the state will receive \$4.4 billion from the MCO tax, of which \$3.4 billion will go to the General Fund. The remaining \$1 billion will go toward:

- [Increasing reimbursements for Medi-Cal providers](#) in primary care, maternity care and non-specialty mental health starting in 2024. This group will see a new Medi-Cal reimbursement floor — 87.5% of what Medicare, the federal health insurance program for seniors and people with disabilities, pays for the same services. In Medi-Cal, some of these services are currently reimbursed at 60% of what Medicare pays;
- \$50 million to help rural hospitals come into compliance with the [state's seismic mandate](#), due in 2030;
- \$150 million to the [distressed hospital loan program](#) for public and nonprofit hospitals in financial trouble, bringing the total available for that purpose to \$300 million;
- \$75 million to the University of California to expand its graduate medical education program, in an attempt to produce more physicians.

The newly minted deal also directs the state to increase reimbursement for other types of Medi-Cal providers and services in future budgets. Among providers and services to be included: specialists, women health providers, hospital emergency services, ground emergency transport services, and behavioral health in long-term care settings. The deal also fast tracks how quickly these other providers can see their payment boosts — now a five-year timeline. Newsom's budget in May proposed an 8-to-10-year period.



A nurse practitioner examines an elderly patient at a clinic in Guerneville in February 2020. Photo by Anne Wernikoff for CalMatters

“It’s hard to overstate how big this is for patients,”

said Dustin Corcoran, CEO for the California

Medical Association, a group involved in these negotiations. “We want to get to a place of equity in health care, and equity in health care means everybody has access to a physician and needed services. This agreement puts us a long way down the road to accomplishing that.”

— [*Ana B. Ibarra*](#)

A consumer win on Covered California

Health care watchdogs scored another win in this year’s budget, successfully negotiating ongoing investment in the state’s Covered California cost-sharing reserve after [**months of pressure**](#) from consumer advocates and legislators. Advocates and lawmakers were miffed when Newsom’s January and May budget proposals [**moved more than \\$333 million from the reserve**](#) into the General Fund and grew increasingly frustrated upon learning that the state failed to invest a cumulative \$1 billion to lower out-of-pocket health insurance costs.

In 2020, Newsom proposed and lawmakers approved a polarizing tax penalty on Californians without health insurance to help fund a cost-sharing program for people insured through Covered California, the state’s version of the Affordable Care Act Marketplace. The penalty generates more than \$300 million annually, but has only been used to lower costs once.

The deal this year ensures that the penalty money goes directly into a cost-sharing reserve fund instead of the General Fund. It does approve a \$600 million loan to the General Fund to help address the state’s \$31.5 billion shortfall, but it commits \$82.5 million to lowering health insurance costs over the next year and \$165 million annually. The \$600 million will be repaid in fiscal year 2025-26.

“This is a huge win that could allow us to do something big as soon as next year,” said Diana Douglas, director of policy and legislative advocacy at Health Access California, who has been lobbying for this change since 2019.

The deal provides enough money to eliminate deductibles for approximately 950,000 enrollees with Covered California with mid-tier plans, Douglas said.

— [*Kristen Hwang*](#)

Lawmakers want more answers on prison closures

California lawmakers want to close prisons, but first they want an answer: Which ones need the costliest upgrades?

That question has lingered ever since a declining inmate population led Gov. Newsom to begin shutting down prisons three years ago. More closures likely are in the works because of the state's tightening budget and still-falling inmate numbers.

Assembly Budget Committee Chairperson [Phil Ting](#), a San Francisco Democrat, said in February that [the California Department of Corrections and Rehabilitation](#) has been unwilling to turn over "the most basic information" about prison infrastructure needs.

If he had that, Ting said, Newsom and legislators could direct the closure of the facilities with the most expensive needs rather than spend heavily on repairs to prisons bound for shutdowns.

Now, legislators are trying to force answers from the corrections department in a public safety spending bill attached to the budget. The language in the bill requires the agency to assess housing by mid-November and also to show its work by providing its methodology and the underlying data.

The budget bill declares the Legislature's intent to close more prisons, but it does not commit to a number. The Legislative Analyst's Office reported earlier this year that the state can [close nine prisons and eight yards](#), including the four facilities already tabbed for closure by Newsom.

The cost of operating prisons varies by institution, but [the closure of a prison in Tracy](#) last year is projected to save the state about \$150 million a year.

Determining infrastructure needs can help the state avoid spending money on prisons it no longer needs, like the \$31 million the state spent on a health care facility at a California City prison in 2021 just months before the state announced its closure.

The California prison towns losing their largest employers have tried two tactics to keep the prisons open. In Susanville, the city sued the state to prevent the closure of the [California Correctional Center](#). The city ultimately lost that battle.

The city of Blythe chose a different tack, launching a [public relations blitz](#) they hope will stave off the closure of Chuckwalla Valley State Prison.

A lifeline for public transit

The governor and legislators hashed out a plan to help public transit agencies still reeling from plummeting ridership during the pandemic. While Newsom’s May budget proposal failed to provide any assistance for [transit agencies facing a “fiscal cliff,”](#) and delayed \$2 billion in construction projects, the Legislature rejected that move and [proposed an additional \\$1.1 billion](#) over the next three years from the state’s cap-and-trade funds.

The deal includes a total of \$5.1 billion over four years — restoring the full \$4 billion for construction and adding the \$1.1 billion from cap-and-trade — with complete flexibility for agencies to use the money for operations as well as construction, subject to accountability measures and state oversight.



A Bay Area Rapid Transit train waits in station on July 3, 2022. Photo by Michael Ho Wai Lee, Sipa USA via Reuters

“Public transportation is easy to take for granted, but allowing it to collapse would have been devastating for our state’s future,” Sen. [Scott Wiener](#), a San Francisco Democrat, said in a statement. “This budget extends a critical lifeline that will help transit agencies maintain service while making critical improvements to cleanliness and safety.”

But that money only gets transit agencies through the next few years. To supplement funding for Bay Area transit agencies, Wiener announced Monday a coalition of Bay Area lawmakers to co-author [Senate Bill 532](#), which would increase tolls on seven Bay Area bridges for five years by \$1.50. That would yield about \$180 million annually, most of which would be required to be used for maintaining current service levels, while 10% could go toward improvements. The bill would also give counties and transit agencies time to organize regional bond measures. (That coalition doesn’t include Sen. [Steve Glazer](#), a fellow Democrat from Orinda, who opposes further investment in Bay Area transit until more oversight is in place).

[Newsom later bragged](#) about the \$5.1 billion, but Assembly Republican leader [James Gallagher](#) of Chico wasn’t happy with the additional money in the budget: “California’s mobile homeless shelters/drug dens (formerly known as ‘public transit’) are getting a bailout,” he said in a statement.

— [Sameea Kamal](#)

A boost for CalFresh

While pandemic-era food assistance programs have been winding down, [demand for assistance at food banks is rising](#). The Legislature’s spending plan included \$35 million for the California Nutrition Incentive Program, which helps participants in the state’s CalFresh program [buy healthy food from farmers’ markets](#).

The agreement with the governor preserves that spending, and also includes the Legislature’s line items for \$9.9 million in one-time money for a [CalFresh fruit and vegetable pilot program](#), plus \$3 million to extend a clean drinking water program.



Sacramento State student Madeline Waters prepares a meal in her Sacramento home with ingredients provided by CalFresh on June 1, 2021. Photo by Rahul Lal for CalMatters College Journalism Network

Minehana Forman, the director of Market Match, said she's thrilled the money for the program is in the budget, and said it will keep it going through 2028 and will also bring in federal dollars.

The deal also includes \$915,000 to start launching a test program to increase the monthly minimum CalFresh benefit from \$23 to \$50. Spending for that program would rise to \$15 million in 2024-25. That's a far cry, however, from the original proposal for a statewide program costing \$95 million, or even a slimmed-down \$30 million version the Legislature passed.

— [*Rya Jetha*](#)

After ‘Rust’ tragedy, new movie safety rules

When actor Alec Baldwin discharged a gun while practicing on the set of a Western movie, killing the cinematographer and wounding the director, it prompted questions like “How could this happen?” and “Why would a gun capable of killing people end up on a movie set?”

In the wake of the incident, the Legislature considered two bills in 2022 aimed at gun safety on movie sets, but [neither of them passed](#), which lawmakers attributed to a lack of consensus within Hollywood about what to do.



Actor Alec Baldwin attends a news conference at United Nations headquarters, on Sept. 21, 2015. Photo by Seth Wenig, AP Photo

But this year, some safety measures are tucked into the budget via a tax credit for movie studios. Since 2009, California has had a tax credit specifically for the film industry, with the goal of countering other states’ efforts to lure productions — and all the jobs and spending that come with them — away from Hollywood.

In this year’s budget agreement, [that tax credit was revamped](#). Starting in 2025, any film industry employer that receives the credit would also have to hire or assign a safety advisor to perform a risk assessment and be present during production. Among other provisions, productions would have to conduct daily safety meetings and those with

firearms would need to have a prop master or armorer with a permit from the California Department of Justice.

The tax credit would also be refundable starting in 2025, meaning film studios that receive a large credit but have a small tax bill will be able to get cash back. That’s a change the film industry [has been lobbying for](#). The credit would have incentives and requirements aimed at increasing diversity in the film industry workforce.

A little [less than half of all film industry jobs in the country are located in and around Los Angeles](#), according to state analysts, a slight decline from a decade ago.

— [Grace Gedye](#)