

## PROPOSITION 64 ADVISORY GROUP

**Date:** March 20, 2025

**Time:** 10 a.m. to 2 p.m.

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### Members Present

- » Denise Galvez
- » Jessica Guerra
- » Stephanie List
- » Jim Keddy
- » Cornelle Jenkins
- » Karina Pangan
- » Pete Nielsen
- » Adrienne Shilton
- » Le Ondra Clark Harvey
- » Martin D. Martinez III
- » Vince Leus

### Opening Remarks and Introductions

*Denise Galvez, Prevention and Youth Branch Chief, Department of Health Care Services (DHCS)*

Galvez opened the meeting by thanking the Proposition 64 Advisory Group (Prop 64 AG) members for attending. Galvez gave an overview of the agenda. Then, both in-person and virtual attendees introduced themselves.

Galvez shared an update on the Big 5 by 2025 initiative, highlighting the upcoming launch of the Substance Use Prevention Evidence-based Resource (SUPER), which will support California providers serving youth in identifying evidence-based practices and community-defined evidence practices that are culturally relevant and linguistically appropriate and demonstrate effective prevention strategies and outcomes. A strategic



plan outlining statewide goals for county providers and SUBG-funded services is also in development. Additionally, the statewide training and technical assistance (TTA) platform, [Advance Behavioral Health Prevention California](#), has been revitalized and is now available at no cost to all Californians.

Galvez discussed a two-phase approach for implementing the prevention portion of the Behavioral Health Services Act and grant distribution, noting an upcoming strategic plan for public comment and coordination with Paula Wilhelm to inform relevant entities.

Galvez mentioned the upcoming Substance Use Disorder Integrated Care Conference, which is currently in the planning stages and has an open call for proposals.

Galvez turned the meeting over to Jessica Guerra for contract updates.

### **Contract Updates: Rounds 6 and 7**

*Jessica Guerra, Section Chief, Prevention and Youth Branch, DHCS*

Guerra shared contract amounts for fiscal year (FY) 2024-25. The California Department of Public Health (CDPH) received \$12 million for prevention education campaigns and drug data surveillance. The California Department of Social Services (CDSS) received approximately \$234.70 million for childcare and child development programs. The California Natural Resources Agency (CNRA) received approximately \$15.65 million for youth access to natural and cultural resources. The Center at Sierra Health Foundation (The Center) received approximately \$71.25 million for the [Elevate Youth California](#) (EYC) program.

Guerra shared the contract amounts for FY 2025-26 based on projections. CDPH will receive \$12 million, CDSS will receive approximately \$201.70 million, CNRA will receive approximately \$13.45 million, and The Center will receive approximately \$52.71 million.

Galvez addressed the overall decline of the Youth Education, Prevention, Early Intervention, and Treatment Account (YEPEITA), particularly affecting EYC. Due to a delayed deposit around the holidays and because of a smaller deposit amount, EYC Round 6 did not include a Capacity Building Cohort and awards were delayed until January. A tiered funding approach is proposed for Round 7, but awards are on hold until funds are received.

Jim Keddy highlighted the policy perspective, commending DHCS for distributing funds that benefit communities statewide, especially rural and tribal organizations often overlooked by traditional philanthropy. Keddy noted that Assembly Bill 195 (2022) eliminated the cultivation tax, with the Legislature allocating \$150 million to offset the



expected revenue decline. The excise tax could increase to 19%, pending the California Department of Tax and Fee Administration's assessment in May.

Galvez emphasized that DHCS has been proactive in helping entities spend down their funds, including reallocating money within cohorts to ensure communities can use it effectively. Multiple strategies have been put in place to spend allocations within the three-year timeframe, and unspent funds are not lost as they can carry over—hence, allocations and expenditures may differ.

Adrienne Shilton shared a call for proposals and a registration link for the substance use disorder (SUD) prevention program, [\*Open Doors!\*](#), which aims to equip adults who work with youth with tools to discuss substance use, connect youth to support, and build a hub of resources for both youth and their adult allies.

Keddy highlighted a new report and executive order banning hemp and chemically derived hemp products, which impacts product pricing and sourcing.

## **Elevate Youth California (EYC) Cohort Updates**

*Palvinder Kaur, Senior Program Officer, The Center at Sierra Health Foundation (The Center)*

*Shyra Murrey, Program Officer, The Center*

Palvinder Kaur welcomed the attendees and shared the agenda for the presentation, which included an update for Round 6, upcoming program activities and highlights, and next steps.

EYC Round 6 Standard Track resulted in 95 awards totaling over \$65.49 million across 45 counties. The Request for Application (RFA) was released in August, and awards were made by December—an impressively tight timeline considering the unprecedented number of applications (392), reflecting increased demand for youth-focused services post-COVID. Nearly all contracts have been issued, and payments are in process. A streamlined process was implemented to expedite fund distribution. A grantee orientation and financial training was held in January, with future contracts requiring additional trainings to ensure alignment with EYC's goals, including guidance on advocacy versus lobbying for 501(c)(3) organizations.

Kaur presented three maps illustrating award distribution and discussed efforts to address and close funding gaps across counties.

To support grantees, six regional convenings were held between September 2024 and January 2025 in Sacramento, Fresno, Humboldt, Oakland, Los Angeles, and Riverside. These brought together 281 funded organizations and 567 individuals, despite some

attendance challenges due to fires and staffing. Convenings focused on strengthening capacity, fostering regional partnerships, deepening understanding of the EYC logic model, and building skills in youth-led civic engagement and prevention messaging. Workshops were interactive, helping participants assess and enhance youth leadership in their activities. Palvinder showed data and examples of positive feedback from partners.

Shyra Murrey shared a brief overview of the TTA offered to partners, including webinars, virtual learning communities, and individualized coaching on topics such as youth-led evaluation, strategic planning, civic engagement, financial reporting, and SUD prevention. Monthly networking sessions and office hours are also available to support grantees.

Palvinder shared key milestones, including closing out Round 3 financial and progress report, releasing the 2024 EYC Annual Report by May, and publishing the Round 3 External Evaluation Report by summer 2025. Additional youth listening sessions are planned, and TTA offerings will be extended through December 2025.

Vince Leus raised concerns about how the recent funding decline—from Round 4 to Round 5—will impact grantees' work and how organizations plan to adapt. Galvez responded by noting ongoing discussions around adopting a tiered funding approach, which considers the appropriate funding level for each organization rather than automatically awarding higher amounts.

Galvez emphasized that the tiered model is designed to align with organizational capacity and that TTA support is helping grantees become more competitive in other funding opportunities. Karina Pangan asked whether there is a limit to how many times an organization can be funded, and Galvez clarified that while there are no limits, organizations cannot hold concurrent grants due to the three-year agreement structure.

Galvez introduced the Koreatown Youth and Community Center to provide an update on how they're utilizing EYC funding to support their program initiatives.

## Youth Listening Session Report

### **Koreatown Youth and Community Center (KYCC)**

*Melanie To, Prevention Education Manager, KYCC*

*Evelyn Balderas, Prevention Education Coordinator, KYCC*

*Lisbette Armenta, Prevention Specialist II, KYCC*

*Skylar Jefferson, Prevention Specialist II, KYCC*

*Valeria Gonzalez, Prevention Specialist I, KYCC*



KYCC, originally established in 1975 as the Korean Youth Center, is a multiservice organization dedicated to addressing the evolving needs of residents in Koreatown in Los Angeles (LA) and surrounding neighborhoods. Focused on the social drivers of health, KYCC offers a wide range of services such as lowering utilities, mental health services, and tree planting. Its Prevention Education Unit was launched in 2010 to further support community wellness and prevention efforts.

KYCC's Prevention Education Unit, established in 2010, focuses on substance use disorder prevention and is funded by the Substance Use Block Grant (SUBG) through LA County Department of Public Health Substance Abuse Prevention Control. The unit provides comprehensive and environmental prevention services, particularly targeting the MacArthur Park and Westlake areas of LA. These neighborhoods, covering about 35 acres, have faced longstanding safety concerns and a reputation for gang activity, crime, and prostitution since the 1980s and 1990s.

The MacArthur Park Community Initiative (MPCI) aims to improve safety in MacArthur Park by building community partnerships, empowering youth, and promoting wellness to reduce substance use-related harm. For EYC Standard Track Cohort 1, KYCC's primary goal was to reduce cannabis and tobacco secondhand smoke exposure among youth ages 12 to 26. Through surveys of 725 park visitors—including 274 youth—community members expressed concerns about secondhand smoke and proposed solutions such as implementing smoking rules, stronger enforcement, and increased education and awareness. A common suggestion was adding signage to communicate that the park is a family-friendly, smoke-free space. The MacArthur Park Youth Protecting and Reviving Community Leadership Program (MYPARC) coalition transitioned to virtual meetings during the COVID-19 pandemic. Once park restrictions were lifted, the coalition resumed in-person, intergenerational activities. They successfully advocated for the installation of "No Smoking" signage in the park, promoting a healthier, smoke-free environment for the community.

For EYC Standard Track Cohort 4, KYCC's aims to reduce the environmental impact of hazardous tobacco and cannabis waste by developing and expanding accessible disposal methods. To inform this effort, 200 MacArthur Park visitors were surveyed about their experiences with cannabis and tobacco use, related waste, and safety concerns in the park. The internship expanded from two months to ten months and integrated the Youth Participatory Action Research model.

MPCI's Community Advisory Board brings together representatives from a wide range of sectors, including youth-serving organizations; city officials; neighborhood councils; the Department of Recreation and Parks; gang intervention, harm reduction, and workforce



development programs; law enforcement; community coalitions and youth groups; local schools; and the business community. Together, they organize over 50 intergenerational events annually, engaging more than 500 community members. Activities include the "Unwind Your Mind" Youth Summit, "Rise Up, Speak Up" Art Showcase, 5K run/walks, wellness activities, resource fairs, and park clean-ups.

KYCC showed pictures of its community events – a Día de Los Muertos marathon, an annual youth summit that includes hip-hop dance and arts and crafts, and El Mercadito Martico that includes acupuncture and sound baths.

KYCC shared testimonials of how MYPARC enhanced understanding of the park and the surrounding community and instilled research skills and insights about drug use and cannabis waste.

KYCC held five youth listening sessions with participants ages 12–26 to gather input about their experiences in MacArthur Park. These sessions encouraged open dialogue, giving youth a safe space to speak freely. Key concerns raised included homelessness, drug use, excessive litter, and a pervasive sense of hopelessness, rooted in the belief that these issues would never change. To counter this, facilitators also asked youth to reflect on the park's strengths, helping to shift the narrative toward possibility and resilience. Youth emphasized the importance of making events accessible and welcoming to all age groups and how time and contributions should be compensated and valued through food, stipend, volunteer hours, and free program materials.

KYCC described their Safety Keepers Program, which launched this past year to empower adult residents to take an active role in promoting safety at MacArthur Park by offering engaging activities and increasing awareness of essential community resources.

KYCC empowers youth and adult residents by fostering self-awareness, strengthening support networks and mentorship, building trust within the community, and encouraging youth-adult collaboration. Despite progress, the overdose crisis continues to affect MacArthur Park, highlighting a lack of focus on safe disposal systems for increasing tobacco and cannabis waste. KYCC aims to strengthen resident-led initiatives that build advocacy, public safety, and environmental stewardship skills. Looking ahead, they plan to deepen partnerships and engage local businesses to support safe disposal efforts and advance community-driven policy goals.

KYCC showed a picture of MacArthur Park and shared closing thoughts. Galvez praised KYCC as an example of youth civic engagement.

Leus reflected on his experience working with KYCC, highlighting the vital role of grant programs like EYC in helping organizations build trust through sustained community

engagement. He emphasized that this trust allows organizations to support the economic and social well-being of residents, acting as a safety net that prevents harm before it occurs, benefiting the entire community. Keddy echoed Leus's sentiments, commending KYCC for its years of impactful work and recognizing it as a trusted anchor institution.

## **Open Discussion: Round 7 Planning**

*Denise Galvez, Prevention and Youth Branch Chief, DHCS*

Galvez described planning and implementation challenges: decline in cannabis sales tax revenue, timing of deposits, timing of grants, and grant award amounts. DHCS begins to work on contracts for the following FY in January based on the Governor's projected budget. For Round 7, with a projected \$52.71 million, a single RFA is proposed using a tiered approach. Applicants would request funding based on their organizational capacity, with required RFA language to describe this capacity. Award amounts could range from \$200,000 to a higher cap (to be determined), noting that only a few organizations received \$1 million in Round 6 after negotiations.

Guerra emphasized the need to sustain the network by funding organizations with proven capacity. The tiered approach would base awards on a percentage of each organization's annual budget to prevent overcommitment, ensure funds are fully spent, and maintain EYC's reputation for efficient fund utilization.

## **Public Comment**

*All participants*

During public comment, participants discussed the tradeoffs of funding fewer organizations at higher amounts versus more organizations at lower amounts, supporting the proposed tiered funding model.

Shilton raised the core question: Should the focus be on awarding more grantees at smaller amounts or fewer grantees at larger amounts?

Keddy supported the tiered model, noting the increased cost of program operations post-pandemic, including staffing, benefits, and mileage.

Galvez emphasized the importance of sustainability and the need for applicants to plan for life after the grant ends. Keddy added that with American Rescue Plan Act and other federal funds winding down, nonprofits will face even greater sustainability challenges.

Leus echoed support, noting that gradual growth supports nonprofit sustainability and raised the question of where the greatest return on grant investment lies.



Palvinder noted larger organizations may return funds but also face challenges like staff turnover and managing multiple programs simultaneously.

Pangan supported assessing organizational capacity beyond the current annual budget, emphasized readiness, and suggested smaller awards for organizations not fully equipped.

Pete Neilson favored applicants requesting amounts aligned with their capacity to avoid future renegotiation.

Shilton voiced concern about fewer total awards due to declining funds and suggested decisions should be based on organizational ability to implement the program effectively.

#### Additional Comments:

Chris Robinson shared Twin Rivers' success with a youth workforce pipeline model that uses peer mentors, social enterprise, and billing to Medicaid, creating early career opportunities for students.

Twin Rivers representatives advocated for stronger school integration and community-based organization partnerships, noting missed opportunities due to limited access to cannabis tax funds.

### **Closing and Next Steps**

*Denise Galvez, Prevention and Youth Branch Chief, DHCS*

Galvez shared the timeline and upcoming milestones for YEPEITA. In April 2025, DHCS will finalize the YEPEITA Legislative Report in preparation for its Spring 2025 release. In May, the Department will review the Governor's May Revision, complete the closeout of Round 3 contracts with CDPH and EYC, publish the 2024 EYC Annual Report, and hold Round 6 listening sessions. Moving into June, DHCS plans to amend existing YEPEITA interagency agreements. By July 2025, DHCS will review the enacted FY 2025–26 State Budget, initiate Round 7 contracting with The Center, amend the YEPEITA interagency agreements to reflect the Governor's Budget, and convene the next Prop 64 Advisory Group meeting.

Galvez concluded by thanking all attendees for their participation and ended the meeting early, noting there were no additional comments.