



County of Santa Cruz



HEALTH SERVICES AGENCY

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Salud Mental y
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Press Release

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SANTA CRUZ COUNTY BEHAVIORAL HEALTH AND COMMUNITY FOUNDATION SANTA CRUZ COUNTY ANNOUNCE SECOND ROUND OF OPIOID SETTLEMENT FUNDING

SANTA CRUZ COUNTY –The Health Services Agency’s Behavioral Health Division and Community Foundation Santa Cruz County has announced the 2026 nonprofit organization awardees of the Santa Cruz County Opioid Settlement Funds Community Grant Program. The \$810,000 in new funds go to community partners providing prevention, early intervention, harm reduction, treatment, and recovery of opioid-related disorders and harm and brings the total awarded through this program to \$1,620,000 since [September 2024](#).

The new round of awards support a coordinated, countywide approach to reducing the harms associated with substance use disorder—particularly opioid addiction—while strengthening pathways to recovery for individuals and families in Santa Cruz County. Together, the funded projects expand residential treatment capacity, improve access to housing and case management for people in recovery, enhance care for newborns and families affected by opioid use, and strengthen community-based prevention and harm reduction efforts.

Santa Cruz County Opioid Settlements are funds received from opioid manufacturers, pharmaceutical distributors, and pharmacies because of litigation brought against these companies for their role in the opioid epidemic. Santa Cruz County is anticipated to receive \$29 million over 16 years for the purpose of [opioid remediation activities](#) defined as “care, treatment and other programs and expenditures designed to (1) address the misuse and abuse of opioid products, (2) treat or mitigate opioid use or related disorders, or (3) mitigate other alleged effects of, including on those injured as a result of the opioid epidemic.”

In 2023, the Santa Cruz County Board of Supervisors approved a spending plan, which included the distribution of funds to non-profit organizations providing opioid use disorder prevention, treatment, and other services to Santa Cruz County residents through a [community grants program](#) administered by Community Foundation Santa Cruz County.

“This new round of funding advances a more equitable opioid response by expanding permanent housing support for individuals with a history of substance use disorders,” said Connie Moreno-Peraza, Director of the Health Services Agency. “By investing in additional harm reduction services and a new treatment facility in Watsonville, we are increasing access to life-saving care and giving more residents across Santa Cruz County a pathway to lasting recovery.”

Grants were competitive, with a total of \$2.1 million requested and a total of \$810,000 to be distributed in 2026, for a grant performance period through June 2027. The grantees are:

Grantee	Award amount:	Program:
New Life Community Services	\$201,358	To support New Life Watsonville, which will be a new 14-bed addiction treatment facility in Watsonville, providing residential, bilingual addiction treatment services
Housing Matters	\$170,000	To hire a Substance Use Specialist to help secure permanent housing for persons with a history of opioid use disorder in Santa Cruz County
Santa Cruz Community Health	\$135,642	For treatment of newborns with Neonatal Opioid Withdrawal Syndrome, and to establish a multi-agency collaborative network to provide seamless support for high-risk families transitioning from hospital to home care
Health Improvement Partnership of Santa Cruz County	\$85,000	For SafeRx leading learning collaboratives, a conference, and advisory groups that focus on medication assisted treatment, perinatal treatment, adolescent and young adult treatment, and community education
Siena House	\$80,000	For a full-time Case Manager to provide consistent support and resource navigation for women and their children, and to expand therapy services that support coping skills, relapse prevention and emotional regulation
Homeless Garden Project	\$60,000	To continue to provide transitional employment opportunities to individuals enrolled in recovery care at partner programs and to pilot trainings that build staff capacity
Stepping Up Santa Cruz	\$48,000	To hire a Harm Reduction Case Manager
Barrios Unidos Santa Cruz	\$30,000	For opioid use prevention, early intervention, harm reduction, and youth leadership work

“We’re proud to partner again with the County of Santa Cruz Health Services Agency Behavioral Health Division and the Community Foundation Santa Cruz County to expand our proven transitional employment program for people in recovery from opioid addiction. Employment is more than a paycheck – it’s a powerful health intervention. Meaningful work builds stability, confidence, and connection, all of which are essential foundations for sustained recovery,” said Darrie Ganzhorn, Executive Director, Homeless Garden Project.

“This award will significantly enhance our ability to care for babies affected by neonatal abstinence syndrome, using the current best practices and evidence-based guidance. This grant not only supports vital training for our providers and nurses but also strengthens collaboration with our local hospitals and other outpatient partners to ensure seamless, consistent care for these families,” said Nadia Allami, PNP, CNP, Pediatric Medical Director, Santa Cruz Community Health.

“These grants are helping organizations find innovative and compassionate solutions through prevention and treatment to tackle the opioid epidemic in our community,” said Community Foundation CEO Susan True. “This second round of investment will continue to fund existing projects and opens the door for new initiatives to prevent, treat and reduce the harm of opioids locally.”

“Many members of our community continue to struggle with the devastating effects of opioids and substance use disorder. With support from the Opioid Settlement Grant, New Life Community Services will build a new facility to expand access to lifesaving care. New Life Watsonville will offer bilingual, bicultural residential treatment and reentry services for individuals and families. With more than 50 years of service, New Life remains a trusted provider in Santa Cruz County,” said Stacey Palau, Executive Director, New Life Community Services.

If you or someone you know needs access to substance use disorder support resources, visit the [Santa Cruz County Opioid Prevention and Response webpage](#) or call 2-1-1, now available 24-hours a day, 7 days a week.

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