Officials will spend $90 million to set up two locations where police can bring people with mental illness or substance-abuse issues instead of arresting them.

New York City plans to spend $90 million to open two centers where police can bring people with mental illness or substance-abuse issues instead of arresting them.

The short-term stay facilities, known as diversion centers, are intended for people who might otherwise be arrested or issued a summons for low-level charges. City officials estimate the two, approximately 20-bed centers, designed largely for stays of up to five days, would serve 2,400 people annually.

The city awarded 10-year contracts to two nonprofits: Project Renewal will receive $44 million and Samaritan Daytop Village Inc. will receive $46 million, officials said.

The centers are expected to open next year. The city has considered sites in Harlem and the South Bronx, according to people familiar with the process. A City Hall spokeswoman said officials are still narrowing down their options and haven’t selected final sites.

“If there is an issue on the street with someone with a behavioral-health issue, 911 is the first call, and that sets in motion what is often a path through the criminal-justice system and sometimes to jail,” said Elizabeth Glazer, director of the Mayor’s Office of Criminal Justice.

About 40% of inmates in the New York City jail system have mental-health issues and more than 85% have substance-abuse problems, according to city officials.
While the centers won’t substantially reduce the jail population with mental illness, they hopefully will reach a population that repeatedly cycles through city jails for shorter stays, Ms. Glazer said. Admission will be voluntary.

The centers will have services including counseling, behavioral-health assessments and help with substance abuse, officials said. They also will have overnight shelter and food, laundry and showers.

“Ultimately it’s really about treating mental health as a health issue, not as a criminal-justice issue,” said Mitchell Netburn, president of Project Renewal, a nonprofit specializing in homelessness.

Susan Herman, New York Police Department deputy commissioner of collaborative policing, said the centers would provide officers with “another tool in their toolbox.”

Police officers have the option to take emotionally distraught people to hospitals when they are a danger to themselves or others, “but that’s in extreme cases,” she said. The new centers wouldn’t be available for violent or high-level drug offenders, she noted.

“This is someone who may be exhibiting problems, they may need to talk to somebody, they may be having a particularly bad day,” Ms. Herman said. For example, a mentally-ill person may be attempting to direct traffic in the middle of the street, she said.

The establishment of the centers come after the city last year gave police officers discretion to issue people who are stopped for low-level offenses a summons as opposed to arresting them.

The NYPD has made efforts to improve policing of the mentally-ill in recent years. The department began rolling out Crisis-Intervention Training in June of 2015 and aims to have all recruits, officers and sergeants trained in the de-escalation tactics.

Steve Coe, the CEO of Community Access, a nonprofit that has collaborated with the NYPD on programs for policing the mentally-ill, said he is skeptical of giving police officers the added discretion to decide who goes to the center.

“I don’t know if you’re going to get the right people and what if you get the wrong person?” Mr. Coe said. “You’re asking [the police officers] to do a lot.”

Ms. Herman said she’s confident both police and potential clients will take advantage of the center. “It’s not like going to an emergency room or going to Rikers,” Ms. Herman said. “It’s going to some place where somebody really listens to them and figures out what help they need.”

States and counties nationwide are beginning to experiment with such facilities, said Richard Cho, director of behavioral health at the Council of State Governments Justice Center, a policy-research nonprofit. He cautioned that the centers themselves aren’t a panacea, but “the tip of the iceberg” toward solving the larger crisis of people with mental-health issues in jail.

“While it’s great to divert people from arrest and incarceration, if there aren’t longer term supports to help people stay out, the crisis services will become just a revolving door,” he added.