



Board Agenda Item 31

DATE: July 14, 2026

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health

SUBJECT: Retroactive Agreement with Turning Point of Central California, Inc. Stasis

RECOMMENDED ACTION(S):

- 1. Under Administrative Policy No. 34 for competitive bids or requests for proposals (AP 34), determine that an exception to the competitive bidding requirement under AP 34 is satisfied and a suspension of competition is warranted due to unusual or extraordinary circumstances, as Turning Point of Central California, Inc. has an existing grant through the US Department of Housing and Urban Development which is renewable on an annual basis, which allows the County to leverage existing grant dollars to provide services to Department persons served at a significantly reduced rate; and**
- 2. Approve and authorize the Chairman to execute a retroactive Agreement with Turning Point of Central California, Inc., for 25 permanent supportive housing units with supportive services, effective February 1, 2026 through January 31, 2031, which includes an initial three-year term with two optional one-year extensions, total not to exceed \$1,062,398.**

There is no additional Net County Cost associated with the approval of the recommended actions, which will allow the Department of Behavioral Health (Department) to continue to collaborate with Turning Point of Central California, Inc. (Turning Point), to provide safe and affordable housing for up to 25 adults with a severe mental illness (SMI) and who are experiencing homelessness. Turning Point currently operates the Stasis Permanent Supportive Housing program (Stasis Program) out of a multi-unit apartment complex, which include furnished shared housing units, and is partially funded by a grant from the U.S. Department of Housing and Urban Development (HUD). The Stasis Program is centrally located within Fresno City limits for person served access to public transportation. This item pertains to a location in District 3.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended actions, the Department would not be able to leverage existing Federal HUD grant funds secured by Turning Point, to house 25 Department persons served at a subsidized rate, and would require the Department to relocate those 25 individuals into alternative housing options. Transitioning to a new provider would require significant time and resources to replicate this infrastructure, potentially disrupting services to a highly vulnerable group.

RETROACTIVE AGREEMENT:

The recommended agreement is retroactive to February 1, 2026. Turning Point renews their HUD Continuum of Care (CoC) grant funds annually, and originally anticipated HUD would approve and award the new grant funds before the existing service agreement with the County expired. However, proposed changes to HUD CoC program rules caused delays and disruptions in the funding process. As a result, the item is now being presented to your Board at the earliest possible date in accordance with the agenda item

processing timelines.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County find under AP 34 that an exception to the competitive bidding requirement is satisfied, and a suspension of competition is warranted due to unusual or extraordinary circumstances as Turning Point has an existing grant through HUD that is renewable on an annual basis, which allows the County to leverage existing grant dollars to provide services to Department persons served at a significantly reduced rate. The General Services Department - Purchasing Division concurs with the Department's assessment that this satisfies the exception to the competitive bidding process required by AP 34.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action(s). The maximum cost of the recommended Agreement (\$1,062,398) will be funded with Mental Health Realignment funds. Sufficient appropriations and estimated revenues are included in the Department of Behavioral Health's Org 5630 FY 2025-26 Adopted Budget and will be included in future budget requests for the duration of the term of the Agreement. Actual costs will be determined by actual services provided.

The County's contribution is used as the matching funds for the HUD grant, however, if tenant underutilization occurs; Turning Point will provide the revenue necessary to meet the HUD grant funding match requirements.

In accordance with HUD regulations, person served rents are limited to no more than 30% of their gross income. Compensation to Turning Point is based on a daily rate beginning on the first date of tenant occupancy and continuing through each subsequent day of their stay, excluding the day of departure. With a maximum occupancy of 25 tenants, the maximum compensation of \$1,062,398 would provide for 45,650 bed days throughout the term of the Agreement. The daily rate is \$22.10 per bed for the period of February 1, 2026 through June 30, 2026, increases annually by 2% per fiscal year thereafter, and will increase to \$24.42 per bed beginning July 1, 2030.

Current funding for this agreement will be provided through Mental Health Realignment funds. The County reserves the right to transition funding to Behavioral Health Services Act (BHSA) funds at a later date, which may necessitate compliance with additional or revised reporting requirements.

The total amount of outstanding invoices received by the Department is \$20,133 from February 1, 2026 to present.

DISCUSSION:

Since December 2003, Turning Point has secured annual HUD grant funding for the Stasis Program. The Stasis Program provides onsite Client Service Providers (CSP) to support tenants, and staff are available 24 hours a day, seven days a week. CSPs develop individual service plans based on the needs of the person served. Services include but are not limited to life skills instructional health counseling, crisis management, assisting clients in applying for and linking to community-based resources and public assistance, and medication and symptom management and monitoring by staff.

In addition, the Stasis Program staff assist persons served with onsite and offsite social and recreational activities, continuation of a tenant council among residents, and provide bus passes and tokens for public transportation.

Department staff work closely with Stasis Program staff to assist persons served with moving logistics and continue to provide case management to clients including psychotropic medications and medication management, mandated crisis response, employment and vocational skill development services, and

encourage person served participation in peer support and recovery programs.

On September 21, 2021, the Board approved retroactive Agreement No. 21-379 (Agreement) Turning Point of Central California, Inc. to provide safe and affordable housing for up to 25 Department persons served per month at no net County cost, not to exceed three consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$598,430.

Turning Point has been able to consistently secure the CoC grant through HUD on an annual basis to operate the Stasis Program, to provide permanent housing and supportive services for homeless individuals with mental health challenges. The recommended Agreement will allow the Department to leverage Turning Point's existing Stasis program and HUD grant funding and continue a partnership with Turning Point to provide safe and affordable housing for adult persons served at a significantly reduced cost. Turning Point currently leases a multi-family apartment complex, which provides furnished two-bedroom housing units that meet HUD's Section 8 Standards, pursuant to U.S. Code, section 1437f, and is centrally located within the community for access to public transportation.

Approval of the first recommended action will suspend the competitive bidding process consistent with Administrative Policy No. 34, for the delivery of 25 permanent housing units with supportive services. Approval of the second recommended action will authorize the Agreement with Turning Point for the delivery 25 permanent housing units with supportive services, retroactive to February 1, 2026, total not to exceed \$1,062,398.

The Department has notified and received approval from Human Resources of execution of the recommended agreement to comply with AB 339.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board will be notified of the recommended Agreement during the July 2026 meeting.

REFERENCE MATERIAL:

BAI #31 September 21, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request
On file with Clerk - Retroactive Agreement with Turning Point of Central California, Inc.

CAO ANALYST:

Dylan McCully