



Board Agenda Item 31

DATE: September 21, 2021

TO: Board of Supervisors

FROM: Dawan Utecht, Director, Department of Behavioral Health

SUBJECT: Retroactive Agreement with Turning Point of Central California Inc. for Permanent Housing and Supportive Services

RECOMMENDED ACTION:

Approve and authorize the Chairman to execute a retroactive Agreement with Turning Point of Central California, Inc., for the Stasis Program for permanent supportive housing, effective February 1, 2021, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$598,430.

Approval of the recommended action will allow the Department of Behavioral Health to continue to collaborate with Turning Point of Central California, Inc. (Turning Point) for the Stasis Program (Program), which provides permanent supportive housing for up to 25 adults connected to Department services. Turning Point operates the Program through a leased apartment complex with furnished two-bedroom housing units, funded by a grant from the U.S. Department of Housing and Urban Development (HUD). The Program is centrally located within Fresno for client access to public transportation. The recommended agreement provides Mental Health Realignment matching funds for a portion of the Program's costs, with no Net County Cost. This item pertains to a location in District 3.

ALTERNATIVE ACTION:

Non-approval of the recommended action would prevent the Department from providing permanent supportive housing services through the Program at a subsidized rate and from leveraging federal Supportive Housing Program (SHP) HUD grant funds secured by Turning Point.

RETROACTIVE AGREEMENT:

The recommended agreement is retroactive to February 1, 2021 due to notification in mid-July 2021 from HUD to Turning Point of the finalized grant award, at which time Turning Point notified the Department of the award.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation for FY 2020-21 is \$40,158 and \$96,379 for FY 21-22; \$598,430 for the term, which will be financed with Mental Health Realignment funds. Cost will be based upon actual client usage at a daily rate for up to 25 clients per month.

The total Program (\$3,871,067) is funded with HUD Grant funding 64% (\$2,412,070), County agreement 16% (\$598,430), Rents to be collected from Department clients and Turning Point clients 8% (\$336,257),

Rents from other Turning Point contracted providers 6% (\$272,470), and Turning Point Contributions (\$251,840). However, if tenant underutilization occurs, Turning Point will provide the revenue necessary to meet the HUD grant requirements.

In accordance with HUD regulations, client rents are limited to no more than 30% of their income. Agreement compensation to Turning Point is based on a daily rate beginning on the first date of tenant occupancy and each subsequent day but not the day of departure. Assuming maximum occupancy of 25 tenants, the recommended agreement maximum of \$598,430 would provide for 45,625 bed days throughout the term. The daily tenant rate is budgeted at \$15.09 in FY 2020-21 and increases annually less than 2% per fiscal year through year five ending with a daily client rate of \$22.10. The daily rate allows Turning Point to match HUD funding requirements and partially pay for increased operational costs. The recommended agreement equates to 16% (\$598,430) of the overall Stasis Program budget.

Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2020-21 and FY 2021-22 Adopted Budgets and will be included in future budget requests.

DISCUSSION:

Since December 2003, Turning Point has secured annual HUD grant funding for the Stasis Program. The recommended agreement will allow the Department to continue a partnership with Turning Point to provide permanent supportive housing for up to 25 adults connected to Department services. The services are for homeless persons with serious and persistent mental illness. The Program is multi-family apartment complex with 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.

During January 2021, Turning Point renewed the HUD grant for the period of February 1, 2021 through January 31, 2022. The Department had a prior five-year agreement with Turning Point for the Program which expired on January 31, 2021. Turning Point received notification from HUD mid-July 2021 of the successful renewal of the grant, at which time Turning Point provided the Department with official notification of the award.

The recommended agreement allows Turning Point to meet the HUD grant match requirements and the Department to utilize the Program at a significantly reduced cost per individual. The Program provides Client Service Providers (CSP) located onsite and available 24 hours a day, seven days a week. CSPs develop individual service plans based on the needs of the individual. Services include life skills instruction, mental health counseling, crisis management, assisting individuals in applying for community-based resources and public assistance, and medication and symptom monitoring. In addition, the Program staff assists clients with onsite/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 Program staff to assist individuals with moving logistics and will continue to provide case management to individuals including psychotropic medication management, mandated crisis response, employment and vocational skill development services, and encourage individuals to participate in peer support and recovery programs.

From February 1, 2020 through January 31, 2021, a total of 29 tenants were served, four referred by the Coordinated Entry System (CES) and one by another agency, four of those entered the Program and one declined to enter. A total of 79% of individuals remained in the Program and 14% exited to other permanent housing; 90% of tenants maintained or increased their income, with an average length of stay of four years for those tenants that remained in the program. Length of stay for three current tenants exceed 10 years.

If approved, the recommended agreement will be retroactive to February 1, 2021, for a three-year base term through January 31, 2024, with two optional one-year renewal periods based upon satisfactory performance by Turning Point. The recommended agreement provides language allowing termination by Turning Point, the County, or their designees upon 30 day advance written notice.

OTHER REVIEWING AGENCIES:

The Behavioral Health Board has been informed of this item.

REFERENCE MATERIAL:

BAI #32, June 21, 2016

BAI #35, October 23, 2007

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Turning Point

CAO ANALYST:

Sonia M. De La Rosa