



# Board Agenda Item 42

DATE: June 30, 2026

TO: Board of Supervisors

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

SUBJECT: Amendment No. 2 to Agreement for Housing Supportive Services

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute Amendment No. 2 to Agreement No. 25-458 with Hope & Healing Family Therapy Center, Inc., effective upon execution with no change to the term of September 9, 2025, through June 30, 2030, and increasing the maximum compensation by \$135,141 to a total of \$16,653,738.**

There is no additional Net County Cost associated with the recommended action. Approval of the recommended action will increase the maximum compensation for the Housing Supportive Services (HSS) agreement with Hope & Healing Family Therapy Center (Hope & Healing) by \$135,141 for FY 2025-26, to address increased service needs at the Butterfly Gardens, Arthur at Blackstone, and Avalon Commons housing sites. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, the Department of Behavioral Health (Department) will be unable to provide Medi-Cal Federal Financial Participation (FFP) compensation once the Hope & Healing Butterfly Gardens, Arthur at Backstone, and Avalon Commons budget reaches their Fiscal Year maximums, which would significantly impact Hope & Healing's revenue used to cover operating expenses and staffing costs. Without adequate funding, the provider may be unable to retain staff to deliver HSS, directly affecting residents at these sites. This could lead to housing instability for many individuals and increase the risk of returning to homelessness.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation for Hope & Healing agreements is funded with Mental Health Services Act - Community Services and Supports and Medi-Cal FFP funds. The maximum compensation will increase by \$135,141, from \$16,518,597 to \$16,653,738. Sufficient appropriations and estimated revenues are included in the Department's Org 5630 FY 2025-26 Adopted Budget and will be included in future budget requests.

DISCUSSION:

Housing supportive services are essential for tenants living with serious mental illness due to the high rates of homelessness among this population. The Department is responsible for providing HSS to Department served individuals residing at ten permanent supportive housing (PSH) sites scattered throughout Fresno County.

Housing supportive services include, but are not limited to:

- Ongoing assessment of needs;
- Case management services;
- Life skills development;
- Benefits counseling and advocacy;
- Educational and job resources; and,
- Linkages to other needed services.

On March 19, 2025, Request for Proposals (RFP) No. 25-076 was issued to solicit qualified vendors to provide evidence-based specialty mental health services and HSS for individuals served by the Department and residing in ten permanent supportive housing developments throughout the County.

On September 9, 2025, your Board approved Agreement No. 25-458 with Hope & Healing to provide HSS for three permanent supportive housing sites, Butterfly Gardens, The Arthur at Blackstone, and Avalon Commons.

On September 23, 2025, your Board approved Agreement No. 25-499 with RH Community Builders, LP (RHCB) to provide HSS for seven permanent supportive housing sites, Renaissance at Trinity, Renaissance at Alta Monte, Renaissance at Santa Clara, Villages at Paragon, Villages at Broadway, Alegre Commons, and Crossroads Village.

On April 7, 2026 your Board approved Amendment No. 26-149 with Hope and Healing and RH Community Builders to adjust the Medi-Cal FFP compensation amounts for FY 2025-26 by increasing the overall maximum compensation by \$150,000, reallocating \$100,000 from the Avalon Commons Medi-Cal FFP budget to the Butterfly Gardens Medi-Cal FFP budget, and revising the client support cost reimbursement budgets to include additional client support options for all fiscal years. This increase addressed the high service needs at the Butterfly Gardens site, by reallocating \$150,000 in unused funds from the RHCB HSS Agreement (No. 25-499).

The recommended amendment with Hope & Healing will increase the maximum compensation by \$135,141 for FY 2025-26, in order to address increased service needs at the Butterfly Gardens, Arthur at Backstone, and Avalon Commons housing sites.

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

OTHER REVIEWING AGENCIES:

The Behavioral Health Board was notified of this agreement at the June 2026 meeting.

REFERENCE MATERIAL:

BAI # 41, April 7, 2026  
BAI #37, September 23, 2025  
BAI #32, September 9, 2025

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 2 with Hope & Healing

CAO ANALYST:

Dylan McCully