



Legislation Details (With Text)

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**Title:** Approve the First Amendment to the Service Agreement with Mental Health Systems to operate Fresno Home as an emergency shelter for unhoused individuals extending the contract term to June 30, 2025, and increasing funding by \$1,492,659.40 in Homeless Housing, Assistance, and Prevention funds (HHAP) for a total program award of \$2,941,843.29.

**Sponsors:** Planning and Development Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 24-568 First Amendment Mental Health Systems

Date	Ver.	Action By	Action	Result
5/23/2024	1	City Council	ADOPTED	Pass

**REPORT TO THE CITY COUNCIL**

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**SUBJECT**

Approve the First Amendment to the Service Agreement with Mental Health Systems to operate Fresno Home as an emergency shelter for unhoused individuals extending the contract term to June 30, 2025, and increasing funding by \$1,492,659.40 in Homeless Housing, Assistance, and Prevention funds (HHAP) for a total program award of \$2,941,843.29.

**RECOMMENDATION**

Staff recommend the City Council approve the first amendment to the service agreement with Mental Health Systems (MHS) to operate the Fresno Home as an emergency shelter for unhoused individuals using \$1,492,659.40 in Homeless, Housing, Assistance and Prevention (HHAP) funds, extend the contract term one year, and authorize the City Manager to sign all implementing agreements.

**EXECUTIVE SUMMARY**

The City of Fresno (City) has an existing agreement with MHS to operate Fresno Home and provide homeless family emergency shelter services funded with HHAP funds. In order to continue operations without disruption, staff recommend amending the agreement and utilizing additional HHAP funds to increase the funding and extend the contract through June 30, 2025.

## **BACKGROUND**

In February 2020, the City was awarded HHAP funding in the amount of \$6,158,246.18 from the California Homeless Coordinating and Financing Council to address homelessness, in September 2021 received \$2,911,171 in a second round of HHAP allocations, in January 2023 received a total of \$7,524,257.15 in a third round of HHAP allocations, and on July 21, 2023, received an initial disbursement of \$5,632,712.55 in a fourth round of HHAP allocations. Health and Safety Code Section 50220.5 (d) allows grantees to use the HHAP funding allocation for operating subsidies in new and existing emergency shelters and for services coordination for homeless populations.

On May 9, 2023, staff issued a NOFA soliciting proposals to provide triage center and/or emergency shelter operations at non-City-owned facilities. The request was to fund small facilities with no more than 25 rooms, for a total of 62 shelter beds for a one (1) year Contract with one (1) possible one (1) year extension. The proposal would utilize HHAP funds to continue to provide small-facility, non-congregate emergency shelter beds to house homeless individuals within the city of Fresno.

On June 29, 2023, City Council approved a \$1,449,183.89 service agreement with Mental Health Systems for the operations of Fresno Home emergency shelter and professional triage center supportive services.

Approving the first amendment will increase funding with Mental Health Systems for homeless family emergency shelter services totaling \$1,492,659.40 and allow the City continued access to 50 family shelter beds.

## **ENVIRONMENTAL FINDINGS**

This item is not a project as defined by the California Environmental Quality Act.

## **LOCAL PREFERENCE**

Local preference is not applicable because of the use of state funds.

## **FISCAL IMPACT**

The agreements will be funded through the City's HHAP allocations.

Attachments:

First Amendment Mental Health Systems