


City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 23, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES HARTMANN, CITY MANAGER 

SUBJECT: CONSIDERATION OF A GRANT APPLICATION TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO STRENGTHEN TREATMENT SERVICES FOR SAFE HAVEN RESIDENTS

ISSUE: Consideration of a grant application to The Department of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMHSA) to fund outreach, engagement, and treatment services to Safe Haven residents. This grant money is offered for the purpose of supplementing services for Supported Housing Programs funded by HUD.

RECOMMENDATION: That City Council:

- (1) Authorize the Alexandria Department of Mental Health, Mental Retardation and Substance Abuse (MH/MR/SA) to submit a grant application for \$400,000 to SAMHSA to strengthen behavioral health care services at Safe Haven (the grant application has already been submitted contingent on Council approval, since notification of the opportunity came too late for prior Council approval);
- (2) Authorize the funding of a transferred position to the Safe Haven project (1.0 FTE Residential Counselor) and the creation of a new half-time (0.5 FTE) Management Analyst I, both of which will be fully supported by SAMSHSA grant revenue;
- (3) The Safe Haven is scheduled to open in FY2010. Because of severe City budget constraints affirm that no City funds would be available to fund this program in FY 2010 or future years; and
- (4) Authorize the City Manager to execute all the necessary documents that may be required.

BACKGROUND: Research has shown that Housing First programs, such as Safe Haven, have a high degree of success in ending repeated and prolonged homelessness for individuals struggling with mental illness and substance abuse. Recent Congressional appropriation language has directed the SAMHSA Center for Mental Health Services (CMHS) to award Services in Supportive Housing grants to grant applicants that operate HUD-funded permanent supportive housing or other comparable programs. The Safe Haven program, scheduled to begin operation during FY 2010, is eligible to apply for these funds. Attached is a summary of frequently asked questions about the Safe Haven.

Safe Haven is budgeted for a full-year of operating costs in FY 2010 and the City General Fund contributes \$107,440 of the total operating budget for the program. The remaining balance of the program is funded by State General Fund revenues, HUD revenues, and fee revenues.

Pursuing this grant opportunity allows MH/MR/SA to:

- Achieve fee revenue targets over a longer period of time. It is unlikely that fee projections for the first year of operations will be achieved due to the time it will take to fill the beds and enroll consumers in Medicaid. The Alexandria Community Services Board has agreed to reallocate funds from other programs to ensure the City's contribution remains fixed. This grant opportunity decreases the funding that may need to be redirected from other programs.
- Fund a vacant MHMRSA position (to be transferred from elsewhere in the department) to provide overnight coverage as required by the Safe Haven program description.
- Fund a part-time Management Analyst to meet data collection needs attributed to the SAMHSA grant.
- Provide a funding source for the support services that will be provided throughout the department. Safe Haven residents will receive services outside of Safe Haven, including psychiatric services, medication management services, psychosocial support, job coaching, group therapy, individual therapy, and, for those who need it, detoxification services and crisis intervention.

The Alexandria Community Services Board approved this grant application at its April 2, 2009 meeting. MH/MR/SA staff learned of this grant opportunity on April 1, 2009. The grant application was due April 17, 2009. This grant opportunity is not related to the Federal stimulus act.

FISCAL IMPACT: MH/MR/SA requested \$400,000 in annual funding and the grant will be renewable at that amount for up to five years. No City match is required. It is anticipated that at the end of the five-year period, Safe Haven residents will be receiving mainstream benefits and/or employment revenue that will allow them to assume a larger portion of the cost of these services. The Alexandria Community Services Board has previously committed to ensuring the

City's share of this program remain fixed over the life of the program. If the grant is awarded on an ongoing basis, it is unlikely the grant award will increase in future years to cover the cost of normal salary and benefit increases. In that case the total costs of this initiative would be reduced to fit entirely within whatever the available state grant amount is in future years. It is intended, because of severe City budget constraints, that no additional City funds will supplement this program in future years if the State funding does not 100% support all costs of this initiative. If necessary, funding will be reallocated within the department to meet this commitment.

ATTACHMENT: Frequently Asked Questions (FAQs) for Safe Haven – April 2009

STAFF:

L. Michael Gilmore, Ph.D., Director, MHMRSA

Carol Layer, LCSW, Director of Extended Care Services, MHMRSA

Nan Goodwin, MA, Director of Residential Services, MHMRSA

Jim Fleming, Fiscal Officer, MHMRSA

Frequently Asked Questions (FAQs) for Safe Haven April 2009

What is a Safe Haven?

The Safe Haven to be located at 115 N. Patrick Street will provide permanent housing and services in three separate apartment units for up to twelve homeless people with mental illness and/or other disabling conditions, who are on the streets and who cannot or do not use existing shelters. Safe Haven is a nationally recognized program model that incorporates several effective strategies to serve its intended population, including outreach, a low demand structure, a housing first approach, and support services. The site was formerly the location of the CSB's Clubhouse program which, since 1980, provided day support to approximately 60 individuals with serious mental illness and substance use disorders.

How will the Safe Haven be staffed?

With eleven full-time equivalent positions, a minimum of two direct service staff will be scheduled to provide supervision and supportive services 24 hours per day as well as facility management and security monitoring, seven days per week, including awake overnight coverage.

How much will the Safe Haven cost?

The total budgeted FY 2010 cost to the City to serve 12 Safe Haven residents is \$111,891. The total ongoing operating budget for the Safe Haven, once fully operational, is \$651,402, which includes \$610,368 for personnel costs. The City was awarded a HUD grant to partially finance the operating costs of the Safe Haven for \$54,608 per year for a three-year period (a total of \$163,824). All revenue sources that fund the project are as follows:

U.S. Department of Housing and Urban Development	\$54,608
Consumer fees	\$16,750
Medicaid	\$300,691
State	\$167,462
City	\$111,891
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Total	\$651,402

The City had originally budgeted \$795,000 in Capital Improvement Program funds for renovation of 115 N. Patrick when it was intended that the site would remain an office building. In the intervening time, the City has identified an additional \$2.055 million to fund the renovation of the building. The total capital project budget is \$2.85 million.

What is the time line for starting operations?

Building renovations are in progress and expected program opening is in early winter 2010.