



## Legislation Text

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**File #:** 66230, **Version:** 1

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### **Fiscal Note**

No additional City appropriation is required with proposed transfer of contracted services. The full \$65,000 of approved contract funding will be transferred from Heartland Alliance Health to Tellurian. An RFP will likely be conducted later in 2021 to help determine the 2022 service provider for supportive services at Rethke Terrace.

### **Title**

Transferring the 2021 Rethke Terrace supportive services contract and remaining funds from Heartland Alliance Health to Tellurian

### **Body**

### **Background**

In March of 2013, the Common Council passed a Resolution directing Planning, Community Development and CDA staff to explore locations, financing, and partnership options for the development of additional single-room occupancy housing for very low-income people within the City of Madison (the "SRO Report"). Staff submitted the SRO Report in June of 2013, which was accepted by the Council. In December of 2013, Heartland Housing and Heartland Alliance Health (formerly Heartland Health Outreach) responded to a City Request for Qualifications solicitation and were approved by the Council to develop (60 units) of permanent supportive housing, targeting single adults experiencing chronic homelessness, on Rethke Avenue, and to provide case management and supportive services to its residents. Rethke Terrace, a 60-unit studio apartment building located at 715 Rethke Avenue, opened in June of 2016 and Heartland Alliance Health began its work as the support services provider. In 2017, Heartland Alliance Health received a commitment of \$65,000 of City funds per year under the Community Development Division's 2017 Homeless Services Request for Proposals process. Earlier this year, Heartland Alliance Health informed Heartland Housing and CDD staff of its decision to withdraw from its role as support service provider and identified Tellurian as the agency to provide those services. This resolution seeks Council approval to transfer the supportive services contract, and City funding, from Heartland Alliance Health to Tellurian until those funds are next subject to an RFP process.

### **Action**

WHEREAS, the City has provided financial support in the amount of \$65,000 per year for Heartland Alliance Health for supportive services at Rethke Terrace through a purchase of service contract since 2018, following the 2017 Homeless Services Request for Proposals process; and,

WHEREAS, Heartland Alliance Health informed its partner, Heartland Housing, and the City's Community Development Division staff in early 2021 that it would withdraw from its role as supportive service provider; and,

WHEREAS, Heartland Housing identified Tellurian as an alternative supportive services provider for Rethke Terrace based on Tellurian's experience in working with chronically homeless populations in various residential settings in Madison, including permanent supportive housing, and billing Medicaid for its services through various contracts with Dane County's Department of Human Services; and,

WHEREAS, Tellurian has committed to providing supportive services at Rethke Terrace using a multi-disciplinary team similar to the approach employed by Heartland Alliance Health, and a plan to explore increased levels of services through additional Medicaid billing; and,

WHEREAS, Tellurian was awarded the Rethke Terrace supportive services contract required for Medicaid billing through the Dane County Department of Human Services Request for Proposal process in May 2021; and,

WHEREAS, the Community Development Division anticipates conducting an RFP process later this year which, with Council approval, will determine the allocation of City funds for homeless services beginning in 2022, and which will include the \$65,000 currently allocated to supportive services at Rethke Terrace.

NOW, THEREFORE, BE IT RESOLVED, that the Common Council approves the transfer of the City's 2021 Rethke Terrace supportive services contract, including the unused portion of City funds authorized for that contract, up to \$65,000, from Heartland Alliance Health to Tellurian; and,

BE IT FINALLY RESOLVED, that the Common Council authorizes the Mayor and City Clerk to enter into a contract with Tellurian to provide supportive services to residents at Rethke Terrace