

# MIAMI BEACH

## COMMITTEE MEMORANDUM

TO: Public Safety and Neighborhood Quality of Life Committee Members

FROM: Eric Carpenter, City Manager

DATE: December 2, 2024

TITLE: **DISCUSS THE PROFESSIONAL SERVICES AGREEMENT WITH NEW HOPE C.O.R.P.S., INC.**

### **RECOMMENDATION**

To avoid a lapse in specialized outreach services, the Administration recommends approving the execution of the agreement with New Hope to provide services as proposed to the City Commission on October 30, 2024. Administration does not recommend options A, B or C. If the Committee desires Option B, the Administration recommends referring the enhanced services for approval through the FY 26 Budget process.

### **BACKGROUND/HISTORY**

On September 14, 2022, the Mayor and City Commission (City Commission) approved Resolution No. 2022-32281, authorizing the City Manager to execute a professional services agreement with New Hope C.O.R.P.S. ("New Hope") to provide various housing services, including detox, treatment, recovery, transportation and other related services for the City's unsheltered population, in the total amount of \$565,248.20. The Agreement was executed on October 4, 2022, and included an initial term, commencing on September 15, 2022, and expiring on September 30, 2023, with one (1) additional one-year renewal term. Per Florida Statute 287.057, services provided by New Hope are exempt from competitive solicitation.

New Hope is a nonprofit CARF (Commission on Accreditation of Rehabilitation Facilities) accredited community-based organization. The initial Agreement for Afterhours Outreach Services was jointly funded by two departments for a total of \$565,248.20. The Police Department's Marchman Act Treatment Beds line item provides \$183,000 for the use of treatment and pre-treatment beds. This funding supports individuals identified through specialized outreach who voluntarily accept assistance in their recovery journey, as well as those placed in the Marchman Act program. The Office of Housing and Community Services contributed \$382,248.20 from its operational budget for contracted services. This includes a recurring \$364,000 budget enhancement for the Afterhours Street Outreach component and for providing recovery residences to individuals who complete the substance abuse treatment program.

During the first year of the Agreement, New Hope documented 5,710 client encounters and engagements, subsequently facilitating 105 emergency shelter placements, and providing residential substance abuse treatment to 12 individuals. Additionally, New Hope has been a significant support to the City's Police Department, frequently assisting officers with client assessments, shelter placements, and transportation.

The Agreement was subsequently approved for a 1-year renewal term for FY 2024, during which New Hope documented 4,919 client encounters and engagements, 94 emergency shelter placements and 13 residential treatment placements.

On October 30, 2024, the Administration requested the City Commission's approval of the

Professional Services Agreement with New Hope C.O.R.P.S. for Fiscal Year 2025 in an amount not to exceed \$568,000 for various housing services, including street outreach, pre-treatment shelter placement, residential substance abuse treatment, housing/recovery residence, and afterhours live assistance support. The proposed budget for specialized afterhours outreach is \$568,000, which will be jointly funded via \$183,000 from the Police Department's line item for Marchman Act treatment beds and up to \$385,000 from the Office of Housing and Community Services' afterhours outreach line item.

Following review and discussion of the item, the City Commission recommended that it be referred to the Public Safety and Neighborhood Quality of Life Committee ("PSNQLC") for review and recommendation. The City Commission further directed the Administration to present the PSNQLC with alternative options for maintaining said or similar services on Miami Beach.

## **ANALYSIS**

New Hope is currently providing Afterhours Specialized Outreach Services in Miami Beach seven days a week through December 31, 2024, under a Purchase Order that falls within the City Manager's authority threshold of \$100,000. These services include live assistance from 7:00 pm to 3:00 am daily, and outreach efforts from 7:30 pm to 2:30 am. To ensure the effectiveness of their services, approximately the first and last thirty minutes of each shift are dedicated to preparation, reporting, and vehicle sanitation.

During October 2024, New Hope made 337 contacts with individuals identifying as homeless, engaged 49 people in meaningful interactions, placed 1 individual into residential treatment, and facilitated 6 emergency shelter or pre-treatment placements. The team remains committed to providing vital support during these extended hours, while also ensuring thorough reporting and sanitation procedures are followed to maintain the quality and safety of services.

The Administration has explored the alternative of delivering Afterhours Outreach Services through City personnel and funding. The cost for pre-treatment emergency shelter, residential treatment, and housing and recovery residence beds would remain the same regardless of the outreach service provider, as New Hope has agreed to continue to serve as the provider of substance abuse treatment and housing and recovery residence beds. The total cost of these services is approximately \$182,502 for the nine (9) months (January 1, 2025- September 30, 2025), as stipulated below. The City paying directly for these services during this nine month period along with contracting New Hope for after hours outreach and services is presented as Option A.

<b>Pre-Treatment/ Emergency Shelter Beds</b>	The rate is \$45 per-diem for 2 beds to be set aside as ES Pre-treatment beds.	\$ 24,570.00
<b>Substance Abuse Treatment Beds at New Hope facility</b>	Purchase of (2) Level 2 Residential Treatment Beds at New Hope CORPS @ \$177.00 per bed, per day for 273 days, and 1 bed for 270 days that will be billed per bed days utilized.	\$ 144,432.00
<b>Housing and Recovery Residence Beds provided by New Hope</b>	Recovery residence for individuals that complete treatment program, inclusive of wraparound services to address substance use and co-occurring disorders.	\$ 13,500.00
<b>Total Cost of Shelter Beds</b>		<b>\$ 182,502.00</b>

Total Estimated Personnel and Equipment Costs for identified service providers in addition to the costs associated with the different types of beds identified above:

- **Option A (New Hope): \$256,125.00**
- **Option B (City Staff): \$309,847.94**

If approved by the City Commission, the FY 2025 Agreement's proposed Scope of Services will include street outreach, detox, substance abuse treatment, recovery residences, support for afterhours Live Assistance to accept homeless-related service calls, and other related services. The projected cost to maintain New Hope's outreach service through Fiscal Year 2025 is **\$256,125.00**.

If the City opts to maintain this service beyond FY 2025, the estimated annual cost is approximately **\$407,929.00** for personnel and equipment. Maintaining this service from January 1, 2025-September 30, 2025, would involve creating and approving new positions, which would then be posted on the City's Human Resources portal. The Administration would conduct candidate interviews and selections and forward the final choices to the Human Resources Department to complete the hiring process. This process may present challenges, including the difficulty of finding candidates willing to work overnight shifts. The estimated timeline to create and fill these positions is approximately 90-120 days. Following the filling of positions, new employees must complete program training for approximately two (2) weeks. This process would create a lapse in service following the expiration of New Hope's current services that are expected to conclude as of December 31, 2024.

If the Office of Housing and Community Services Homeless Outreach Division staff provides services as of January 1, 2025-September 30, 2025, the estimated cost would be approximately **\$309,847.94**.

Below is a cost comparison between the Specialized Afterhours outreach services provided by New Hope and the estimated cost if the outreach services were to be delivered by City staff.

Expense Category	Option A: New Hope as Service Provider	Option B: City Staff as Service Provider
<b>PERSONNEL</b>		
Street Outreach Workers	\$194,205 (4 Full-Time Employees @ \$25/hr x 40 hours/week + Fringes)	\$237,527.28 (4 Full-Time Case Workers @ \$27/hr + Fringe Benefits)
Outreach Program Director	\$11,064 (0.15 Full-Time Employee @ \$80K base + Fringes)	\$66,545.66 (1 Full-Time Homeless Program Coordinator @ \$30.69/hr + Fringe Benefits)
<b>Total Personnel Costs</b>	<b>\$205,269</b>	<b>\$304,072.94</b>
<b>TRANSPORTATION</b>		
Vehicle Lease & Insurance	\$9,396.00 (Lease @ \$444/month + Car Insurance)	—
Vehicle Gas & Maintenance	\$5,400.00 (Gas @ \$600/month)	—
<b>Total Transportation Costs</b>	<b>\$14,796.00</b>	<b>\$0</b>
<b>PHONE, EQUIPMENT, AND COMMUNICATIONS</b>		
Cell Phone Service Purchase and Service fee to facilitate Afterhours Live Assistance requirement	\$810.00	\$575.00
Tablets (4 @ \$500 each)	—	\$2,000.00
Tablet Service Fees (9 months)	—	\$1,500.00

Laptop for Program Coordinator	—	\$1,700.00
<b>Total Equipment Costs</b>	<b>\$810</b>	<b>\$5,775.00</b>
<b>ADMINISTRATIVE COSTS</b>		
Administration (Accounting, HR, Office Space, etc.)	\$35,250.00	—
<b>Total Administrative Costs</b>	<b>\$35,250.00</b>	<b>\$0</b>
<b>TOTAL BUDGET</b>	<b>\$256,125.00</b>	<b>\$309,847.94</b>

### **Option C: Solicitation Process**

Additionally, the Administration has contacted alternative providers such as Favela Miami and Camillus House Health Concern, two organizations dedicated to supporting individuals experiencing homelessness, to assess their interest in managing the City's Afterhours Outreach Program. Favela Miami is currently contracted with the City to provide employment services to individuals who are sheltered through the City's Homeless Outreach Services Division, and Camillus Health Concern is currently contracted to provide medical street outreach to unsheltered homeless persons on Miami Beach. Both organizations have informed the Administration that they are unable to provide this additional service at this time.

Should the City Commission direct the Administration to solicit an external provider, the issuance of a Request for Proposals (RFP) for Afterhours Outreach Services is a possible alternative. The RFP would be advertised a minimum of 30-45 days. Once proposals are evaluated by a designated Committee, the Administration would propose a recommendation to the City Commission for approval at the next available City Commission meeting. The Administration will need to present an item to the City Commission to approve a month-to-month basis with New Hope. If the Committee desires for another provider to offer outreach services, (including the Administration), the Administration can refer the service for approval through the FY 26 Budget process. The Administration will present an item for consideration at the City Commission meeting scheduled for December 11, 2024.

Option A (New Hope) is more cost-effective and ensures there is no gap in service delivery, while the City option incurs higher personnel and equipment costs. New Hope is a strong service provider due to its thoughtful, evidence-based approach to substance abuse treatment. As an accredited organization, New Hope meets high standards of care and is dedicated to providing quality, community-based services that align with best practices in the field of substance abuse treatment.

### **FISCAL IMPACT STATEMENT**

\$568,000

### **Does this Ordinance require a Business Impact Estimate?** (FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on .

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

### **FINANCIAL INFORMATION**

011-0560-000349-23-405-575-00-00-00

011-1120-000343-20-401-595-00-00-00

## **CONCLUSION**

To avoid a lapse in specialized outreach services, the Administration recommends approving the execution of the agreement with New Hope to provide services as proposed to the City Commission on October 30, 2024. Administration does not recommend options A, B or C. If the Committee desires Option B, the Administration recommends referring the enhanced services for approval through the FY 26 Budget process.

### **Applicable Area**

Citywide

**Is this a “Residents Right to Know” item, pursuant to City Code Section 2-17?**

No

**Is this item related to a G.O. Bond Project?**

No

**Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s):

### **Department**

Housing and Community Services

### **Sponsor(s)**

Commissioner Alex Fernandez

### **Co-sponsor(s)**

### **Condensed Title**

DISCUSS AND TAKE ACTION ON THE FY 25 PROFESSIONAL SERVICES AGREEMENT FOR SPECIALIZED OUTREACH SERVICES