



Office of the City Manager

CONSENT CALENDAR

July 25, 2006

To: Honorable Mayor and
Members of the City Council

From: *PK* Phil Kamlarz, City Manager

Submitted by: Fred Medrano, Director, Health and Human Services

Subject: Grant: Mental Health Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to accept a grant from the California Department of Mental Health in the amount of \$2,510,238 to plan and implement transformative mental health programs under the Mental Health Services Act Community Services and Supports funding stream; to execute the resultant revenue agreement and any amendments; and authorizing the implementation of the projects and appropriation of funding for related expenses, subject to securing the grant.

FISCAL IMPACTS OF RECOMMENDATION

As a mental health jurisdiction, the Department of Health and Human Services, Mental Health Division will receive an estimated \$2,510,238 to plan and implement transformative mental health programs under the Mental Health Services Act (MHSA) Community Services and Supports (CSS). The grant will support new and expanded mental health programs for children, transition age youth, adults, and older adults. A match of City funds is not a grant requirement. Attachment 2 itemizes the funding for each of the fiscal years. The total allocation indicated in Attachment 2, \$2,732,038, is more than the grant amount being recommended for approval because the State Department of Mental Health did not determine the City's allocation until June 2006, and programs cannot commence until FY 2007. As a result, the City will receive up to 75% of the FY 2006 allocation in FY 2007, which will be designated as "Start-Up Funding". The grant will be allocated as follows:

FUNDING DESCRIPTION	AMOUNT
Start-Up Funding (75% of FY 2006 allocation of \$887,200)	665,400
FY 2007 Allocation	896,084
FY 2008 Allocation	948,754
Total Grant Amount	2,510,238

The grant funds will be deposited into revenue code number 063-4401-331.40-77. The FY 2007 adopted budget for the Mental Health Services Act was \$100,671. The additional funds for FY 2007 will be appropriated as part of the First Amendment to the Appropriations Ordinance. The

revenue agreement has been entered into the Citywide contract database and assigned Contract Management System No. SGYLZ.

CURRENT SITUATION AND ITS EFFECTS

The MHSA is California state legislation that was approved by voters in November 2004. This Act places a 1% tax on every dollar of annual personal income over \$1 million. The California Department of Mental Health (CDMH) allocates these tax revenues to city and county mental health departments for the purpose of improving mental health services. The MHSA, at Section 5897 of the California Welfare and Institutions Code, defines city mental health jurisdictions as equivalent to counties under the MHSA. There are five funding streams associated with the MHSA:

- Community Services and Supports
- Prevention and Early Intervention
- Capital Facilities and Technology
- Workforce Development
- Innovative Programs

CDMH released planning requirements in stages, beginning with CSS. The CSS plan that the City of Berkeley developed and submitted represents the collective outreach and planning work of many staff and stakeholders from the cities of Berkeley and Albany.

With this funding, there will be many new services available in the Mental Health Division, including mental health care targeting transition-age youth ages 16 – 24 and older adults; outreach efforts to Latino, Asian and other underserved communities; services to help people with mental health problems prepare for, secure and retain employment; family advocacy; and an intensive program to help children with serious emotional disturbances and their families. Existing services that will be expanded include a program that provides comprehensive services for adults with severe mental disabilities, and expanded client advocacy and peer counseling.

BACKGROUND

The Mental Health Division had anticipated receiving approximately \$1.1 million of funding annually through the MHSA for CSS programs based on methodology applied to all California counties. The CDMH, however, authorized only \$250,000 in annual CSS funding for Berkeley; the balance of funds had been reserved for Alameda County to provide services in Berkeley and Albany. This decision was in dispute until recently.

On March 7, 2006 by Resolution No. 63,222-N.S., the City Council approved submission of a CSS Plan to the CDMH for funds in the amount of \$1.1 million annually. Subsequent to submission of this plan and through ongoing advocacy and negotiation, CDMH increased the initial planning estimate from \$250,000 to approximately \$900,000 annually. On June 7, 2006, the Mental Health Division received a letter from Dr. Stephen Mayberg, Director of the CDMH revising Berkeley's original planning estimate and indicating an intention to contract with the City directly for MHSA CSS approved programs for fiscal years 2006-2008 (Attachment 2).

While CDMH did not use the county-based methodology to determine this amount, we feel that it is a reasonable resolution of the dispute and will be adequate to accomplish nearly all of the

goals set forth in the \$1.1 million plan. CDMH will revise their allocation methodology after the expiration of the first three years of MHSA funding for all counties and eligible cities statewide.

RATIONALE FOR RECOMMENDATION

Council approval of the recommended action will enable staff to begin recruitment of personnel in order to implement the new CSS programs. A revision to the City of Berkeley CSS plan based on the CDMH May 22, 2006 review and the revised planning estimate has been submitted to CDMH for final approval; we expect to receive formal notification of approved funding by August 31. Due to the lengthy dispute with the state over the planning allocation, the City of Berkeley submitted its plan later than many other counties in California. The MHSA has caused rapid growth in the public mental health system statewide and Berkeley is now in competition for qualified mental health workers. Given the length of time required to complete the hiring process, we need to act as quickly as possible. Staff hiring and other expenditures associated with this program will not commence until formal notification is received from the state.

ALTERNATIVE ACTIONS CONSIDERED

No alternative actions have been considered.

CONTACT PERSON

Harvey Tureck, Manager of Mental Health, Health and Human Services, 981-5213

Kathy Cramer, Mental Health Supervisor, Health and Human Services, 981-5229

Mary Ager, MHSA Planning Assistant, Health and Human Services, 981-5222

Attachments:

1. Resolution
2. June 8, 2006 Letter from Steven W. Mayberg, PhD., Director, California Department of Mental Health

RESOLUTION NO. -N.S.

ACCEPTING A GRANT FROM THE CALIFORNIA DEPARTMENT OF MENTAL
HEALTH

WHEREAS, the Mental Health Services Act is California state legislation approved by voters to create new funding for local public mental health programs to expand and improve mental health services; and

WHEREAS, the Mental Health Services Act places a 1% tax on every dollar of annual personal income over \$1 million; and

WHEREAS, the California Department of Mental Health allocates these tax revenues to city and county mental health departments for the purpose of improving mental health services; and

WHEREAS, on March 7, 2006 by Resolution No. 63,222 - N. S., the City Council authorized the submission of a Community Services and Supports Plan to the California Department of Mental Health for funds in the amount of \$1.1 million annually; and

WHEREAS, in a letter dated June 8, 2006, the California Department of Mental Health communicated its intention to fund the City of Berkeley's Mental Health Services Act Community Services and Supports programs at approximately \$2.5 million for FY 2006 through FY 2008; and

WHEREAS, Mental Health Services Act Community Services and Supports funds will be allocated to provide transformative mental health services to Berkeley and Albany residents; and

WHEREAS, the City of Berkeley should seek outside funding wherever possible to improve mental health services for the youth and adults.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to accept a grant from the California Department of Mental Health for funds in the amount of \$2,510,238 to plan and implement transformative mental health programs under the Mental Health Services Act Community Services and Supports funding stream; to execute the resultant revenue agreement and any amendments; and to appropriate funding for related expenditures, subject to securing the grant. A record signature copy of said agreements and any amendments to be on file in the Office of the City Clerk.



1600 9th Street, Sacramento, CA 95814
(916) 654-3551

June 8, 2006

Mr. Harvey Tureck, Director
Berkeley City Mental Health
1947 Center Street
Berkeley, CA 94704

Dear Mr. Tureck:

This letter is to notify you that the planning estimate for the Community Services and Supports component of the Mental Health Services Act for Berkeley City is \$887,200 for FY 05/06, \$896,084 for FY 06/07 and \$948,754 for FY 07/08. The department intends to contract with and directly fund Berkeley City Mental Health for approved MHSA services. All of the requirements in the DMH Letter No.: 05-05 will apply except for the requirement to provide wraparound services for children/youth. Berkeley City is eligible for any small county exemptions that are included in that letter.

We expect that you will continue the cooperative and collaborative approach with Alameda County to ensure the best use of these new resources for your mutual populations. If you have any questions about the MHSA funding for Berkeley, please feel free to contact Carol Hood, Deputy at (916) 654-3551.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephen W. Mayberg', is written over the typed name and title. The signature is fluid and cursive, with a large loop at the end.

STEPHEN W. MAYBERG, Ph.D.
Director

cc: Mental Health Oversight and Accountability Commission
California Mental Health Planning Council
Marye Thomas, M.D.
Assistant Deputy Director, Systems of Care, DMH
DMH Team Leader
County Operations Liaison, DMH