



BOARD OF SUPERVISORS AGENDA ITEM REPORT AWARDS / CONTRACTS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: 12/20/2022

* = Mandatory, information must be provided

or Procurement Director Award: ☐

***Contractor/Vendor Name/Grantor (DBA):**

Old Pueblo Community Services (OPCS)

***Project Title/Description:**

Pima County Housing First (PCHF) Program

***Purpose:**

PCHF was launched to target unsheltered, justice-involved individuals with co-occurring mental illness and substance use disorders with the goals of reducing utilization of emergency medical care, chronic homelessness, and recidivism. At the conclusion of the pilot program in 2021 and with no ongoing funding identified, County began exploring grant opportunities to expand program operations and avoid interruption of services. Pima County was awarded a Bureau of Justice Assistance (BJA) Second Chance Act Pay for Success grant, in the amount of \$1.1 million over four years, allowing for the expansion and enhancement of the program activities. Grant amount is not sufficient to maintain programming at current operational levels; an additional supplement of \$530,000 was budgeted for this fiscal year (July 1, 2022 to June 30, 2023) from General Funds to meet full programmatic need. OPCS, selected initially through a competitive bid process for the pilot program, has achieved positive outcomes and significantly reduced recidivism among program participants. By approving this contract, OPCS will continue to provide undisrupted services. Current and future program participants will have access to transitional and permanent supportive housing, wrap-around services, justice navigation, case management, and other programmatic elements crucial to ending the cycle of homelessness.

***Procurement Method:**

Direct Select per Board of Supervisors Policy D29.6, III-C.

***Program Goals/Predicted Outcomes:**

If approved, PCHF will continue to operate at current levels, providing housing and services for up to 200 individuals, with the potential to increase housing vouchers in the future, if needed. Currently, the program has 120 individuals in permanent supportive housing. This includes provisions for transitional housing until the individual can be placed in permanent housing, transitional housing staff/monitors, case management (including support resolve justice proceedings), and move-in services (deposits, application fees, and apartment set up kit).

***Public Benefit:**

PCHF continues to alter the trajectory of lives by removing the barriers of homelessness and allows individuals to complete treatment and resolve criminal justice proceedings. The program has been in operation since 2019 and has a strong programmatic foundation with 120 clients in permanent supportive housing; however, the need for housing in our community, like many others, has only increased. The systemic cost savings and effectiveness of this program have been validated through outside evaluation, but also through many individual and familial success stories. By approving this contract, the program will expand cost savings to the community, and positively impact even more lives.

***Metrics Available to Measure Performance:**

Pima County will utilize a "outcomes-based" payment strategy, where the Contractor is only paid in full if certain objectives are achieved. 15% of monthly invoices will be retained and released quarterly based on performance. Housing stability (10%) at six and 12-months and new justice involvement (5%) metrics will comprise this retainage percentage. Pima County intends to contract with a program Evaluator utilizing grant funds. Pima County's goal is a recidivism rate of less than 20%, as defined by 80% of Housing First participants not returning to jail.

***Retroactive:**

Yes, to July 1, 2022. Original intent was to create one contract for both Grant and General Funds, however contract negotiations with BJA remain ongoing. Vendor has been delivering services since July 1, 2022, while awaiting BJA to release grant funds. This separate contract will permit County to reimburse OPCS for eligible expenses, utilizing the General Fund resources already budgeted for this fiscal year.

TO: COB 12-6-2022 (1)
Vers.: 1
pgs.: 26

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THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information

Document Type: CT Department Code: JS Contract Number (i.e., 15-123): 23*258
Commencement Date: July 1, 2022 Termination Date: June 30, 2023 Prior Contract Number (Synergen/CMS): _____
☒ Expense Amount \$ 530,000.00 * ☐ Revenue Amount: \$ _____

***Funding Source(s) required: General Fund**

Funding from General Fund? ☒ Yes ☐ No If Yes \$ \$530,000.00 % 100%

Contract is fully or partially funded with Federal Funds? ☐ Yes ☒ No

If Yes, is the Contract to a vendor or subrecipient? _____

Were insurance or indemnity clauses modified? ☒ Yes ☐ No
If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☒ No
If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Amendment No.: _____ AMS Version No.: _____

Commencement Date: _____ New Termination Date: _____

Prior Contract No. (Synergen/CMS): _____

☐ Expense ☐ Revenue ☐ Increase ☐ Decrease

Is there revenue included? ☐ Yes ☐ No If Yes \$ _____

Amount This Amendment: \$ _____

***Funding Source(s) required: _____**

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards)

☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____

Commencement Date: _____ Termination Date: _____ Amendment Number: _____

☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required: _____**

*Match funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

*Match funding from other sources? ☐ Yes ☐ No If Yes \$ _____ % _____

*Funding Source: _____

*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: McKenzie Derfus

Department: Justice Services

Telephone: 520-724-9933

Department Director Signature: [Signature]

Date: 12/1/22

Deputy County Administrator Signature: [Signature]

Date: 1 Dec 2022

County Administrator Signature: [Signature]

Date: 12/2/2022




MEMORANDUM

Justice Services

Date: November 29, 2022

TO: Jan Leshar
County Administrator

From: Kate Vesely
Director, Justice Services 

CC: Francisco García, Deputy County Administrator
Terri Spencer, Procurement Director
Ellen Moulton, Finance and Risk Management Director
Monica Perez, Chief of Staff, County Administration

SUBJECT: Request for Direct Selection of Professional Services from Old Pueblo Community Services for Pima County Housing First Project (PCHF)

Pursuant to Board of Supervisors Policy D29.6 III.C – Direct Selection and Procurement Procedure No. PO-50, this memorandum seeks approval to select Old Pueblo Community Services to provide supportive housing services for the Pima County Housing First Project (PCHF).

Background: As of July 1, 2021, Pima County Housing First Project continued to receive County support and operations were financed with extensions of General Funds until June 30, 2022 (Contract No. MA-PO-19-134). On December 7, 2021, Pima County was awarded \$1.1 million over four years (approximately \$275,000/year) as a supplement for the funding of this program. In February 2021, County approved the use of \$530,000 in general funds for this new contract with OPCS. It is of critical importance that OPCS continue to be the provider of housing services, as they have unique knowledge and experience that supports the success of the program. Selecting OPCS will also avoid any interruption in current programming, the continuity with specialty wrap-around services, and grant compliance.

After a multi-year study to determine the need and opportunity for a Permanent Supportive Housing (PSH) program in Pima County, the PCHF pilot program launched in April 2019. It was specifically designed for unsheltered individuals with co-occurring disorders and justice involvement (two or more arrests within a year), with the goals of reducing utilization of emergency medical care, chronic homelessness, and future justice-system involvement.

Three partners were enlisted to support the program: a housing service provider, an independent evaluator, and a technical assistance provider. Old Pueblo Community Services (OPCS), was selected to provide the housing services (which includes case management, and other wrap-around services). Much of the success of the program can be attributed to the dedication of our housing partner, OPCS. Their vast housing knowledge, commitment to sustainability throughout the pilot and grant application, and highly sought-after expertise have only further demonstrated the need to continue with OPCS as our housing service provider. Additionally, OPCS is a sub-recipient in the County's BJA Pay for Success grant, which provides supplemental program funding.

Memorandum to J. Lesher

Re: Direct Selection for Professional Services Contractor- Old Pueblo Community Services

November 29, 2022

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OPCS opened 1996 with a mission to provide safe and affordable housing for persons leaving prison homeless. Within a short time, OPCS grew from one house to over ten recovery communities and numerous scattered-site apartment units. This included the addition of reentry housing with employment support, funded by the Department of Housing and Urban Development in 2002, and Veteran housing and services through contracts with the Southern Arizona Veterans Administration in 2005.

OPCS obtained behavioral health outpatient licensure in 2007, and began providing outpatient addiction treatment and behavioral health services for persons leaving institutions homeless or living on the streets. OPCS is the only local housing services provider to incorporate fully comprehensive mental and substance treatment services in addition to supportive housing.

In 2013, OPCS formally adopted the "housing first" philosophy to ending chronic homelessness in Tucson. Since then, OPCS has opened over 100 low-barrier bridge housing and shelter units for persons with the highest need and vulnerability but cannot enter traditional high barrier shelters. Today OPCS provides safe, affordable housing options to approximately 400 persons daily. This includes site-based communities with onsite case management and behavioral health support and individual permanent housing units scattered throughout Pima County. OPCS employs a team of approximately 80 staff who assist approximately 2,000 persons per year, with over 500 moving into permanent housing each year.

Requested Action: The Justice Services Department requests Old Pueblo Community Services to be selected for the Pima County Housing First Project with a not-to-exceed amount of \$530,000 for a contract term of one (1) year, July 1, 2022- June 30, 2023, with four (4) one-year extension options pursuant to the Direct Select provisions of Board of Supervisors Policy D29.6, III-C.

Thank you for your consideration of this request. Please let us know if we may provide any additional information or supporting documentation.

Approved as to form:



Terri Spencer
Procurement Director

11/29/2022

Date

Concur:



Francisco García
Deputy County Administrator

29 Nov 2022

Date

Direct Select Approved:



Jan Lesher
County Administrator

11/29/2022

Date

Pima County Department of Justice Services

Project: Pima County Housing First (PCHF) Program

Contractor: Old Pueblo Community Services
4501 E 5th Street, Unit 1
Tucson, Arizona 85711

Amount: \$530,000.00

Contract No.: CT-JS-23*258

Funding: General Fund

PROFESSIONAL SERVICES CONTRACT

1. Parties and Background.

- 1.1. Parties. This Contract is between Pima County, a body politic and corporate of the State of Arizona ("County"), and Old Pueblo Community Services, a non-profit corporation registered in the State of Arizona ("Contractor" or "OPCS").
- 1.2. Authority. County selected Contractor pursuant to and consistent with Board of Supervisors Policy D29.6.
- 1.3. Background. OPCS has operated the Pima County Housing First program since 2019. The Housing First program provides permanent housing to Pima County residents who are experiencing homelessness. County was awarded the Bureau of Justice Assistance Second Chance Act Pay for Success grant in December 2021. Unforeseen delays in processing the grant resulted in the postponement of this Contract, which does not utilize grant funds.

2. Term.

- 2.1. Initial Term. The term of this Contract commences on July 1, 2022 and will terminate on June 30, 2023 ("Initial Term"). "Term," when used in this Contract, means the Initial Term plus any exercised extension options under Section 2.2. Due to unforeseen delays regarding third-party grant funds, the commencement date of the Initial Term is before the signature date of the last party to execute this Contract. The parties will, for all purposes, deem the Contract to have been in effect as of the commencement date.
- 2.2. Extension Options. County may renew this Contract for up to four (4) additional periods of up to 1 year each (each an "Extension Option"). An Extension Option will be effective only upon execution by the Parties of a formal written amendment.

3. **Scope of Work.** Contractor will provide County with the services described in **Exhibit A** (8 pages), at the dates and times described on **Exhibit A** or, if **Exhibit A** contains no dates or time frames, then upon demand.
4. **Reporting.** Contractor will report quarterly on the Scope of Work. Reports will be submitted similar to the form attached in **Exhibit D** (1 page) or other form as agreed upon by County and Contractor. Report must include all performance metrics, including Housing Stability, Jail Avoidance, Family Reconnection Services and Milestones as outlined in the **Exhibit B** (5 pages).
5. **Compensation and Payment.**
 - 5.1. Rates; Adjustment. County will pay Contractor at the rates set forth in **Exhibit B**. Those rates will remain in effect during an Extension Option period unless Contractor, at least 90 days before the end of the then-existing Term, or at the time the County informs Contractor that the County intends to extend the Term, if that is earlier, notifies County in writing of any adjustments to those rates, and the reasons for the adjustments.
 - 5.2. Maximum Payment Amount. County's total payments to Contractor under this Contract, including any sales taxes, may not exceed \$530,000.00 (the "**NTE Amount**"). The NTE Amount can only be changed by a formal written amendment executed by the Parties. Contractor is not required to provide any services, payment for which will cause the County's total payments under this Contract to exceed the NTE Amount; if Contractor does so, it is at the Contractor's own risk.
 - 5.3. Sales Taxes. The payment amounts or rates in **Exhibit B** do not include sales taxes. Contractor may invoice County for sales taxes that Contractor is required to pay under this Contract. Contractor will show sales taxes as a separate line item on invoices.
 - 5.4. Timing of Invoices. Contractor will invoice County on a monthly basis unless a different billing period is set forth in **Exhibit B**. County must receive invoices no more than 30 days after the end of the billing period in which Contractor delivered the invoiced products or services to County. County may refuse to pay for any product or service for which Contractor does not timely invoice the County and, pursuant to A.R.S. § 11-622(C), will not pay for any product or service invoiced more than 6-months late. The June request must be submitted no later than July 8 to comply with County fiscal deadlines.
 - 5.5. Content of Invoices. Contractor will include detailed documentation in support of its invoices and assign each amount billed to an appropriate line item. Request for payment will be submitted on the form attached in **Exhibit C** (1 page).
 - 5.6. Budget Modification. Budget modifications that exceed 10% of the total annual budget may be granted by and at the sole discretion of the Director of Justice Services or designee. Contractor must utilize template in **Exhibit E** (1 page) to submit written request on or before May 15 of the contract year and prior to expenditure. The following provisions apply:
 - 5.6.1. The change may not increase the maximum allocated amount.

5.6.2. The changes will be for future expenditures that are not part of the current existing and approved budget(s). The change may not be to cover unbudgeted expenditures incurred by Contractor prior to submitting the written request.

5.7. Invoice Adjustments. County may, at any time during the Term and during the retention period set forth in Section 22 below, question any payment under this Contract. If County raises a question about the propriety of a past payment, Contractor will cooperate with County in reviewing the payment. County may set-off any overpayment against amounts due to Contractor under this or any other contract between County and Contractor. Contractor will promptly pay to County any overpayment that County cannot recover by set-off.

6. **Insurance**. Contractor will procure and maintain at its own expense insurance policies (the "**Required Insurance**") satisfying the below requirements (the "**Insurance Requirements**") until all its obligations under this Contract have been met. The below Insurance Requirements are minimum requirements for this Contract and in no way limit Contractor's indemnity obligations under this Contract. The County in no way warrants that the required insurance is sufficient to protect the Contractor for liabilities that may arise from or relate to this Contract. If necessary, Contractor may obtain commercial umbrella or excess insurance to satisfy the Insurance Requirements.

6.1. Insurance Coverages and Limits: Contractor will procure and maintain, until all its obligations have been discharged, coverage with limits of liability not less than those stated below. Coverage must be placed with insurers acceptable to the County with A.M. Best rating of not less than A-VII, unless otherwise approved by the County.

6.1.1. Commercial General Liability (CGL) – Occurrence Form with limits not less than \$2,000,000 Each Occurrence and \$2,000,000 General Aggregate. Policy shall include coverage for liability arising from premises, operations, independent contractors, personal injury, bodily injury, broad form contractual liability and products-completed operations. Any standard coverages excluded from the CGL policy, such as products/completed operations, etc. shall be covered by endorsement or separate policy and documented on the Certificates of Insurance.

6.1.2. Business Automobile Liability – Coverage for bodily injury and property damage on any owned, leased, hired, and/or non-owned autos assigned to or used in the performance of this Contract with minimum limits not less than \$1,000,000 Each Accident.

6.1.3. Workers' Compensation and Employers' Liability – Statutory coverage for Workers' Compensation. Workers' Compensation statutory coverage is compulsory for employers of one or more employees. Employers Liability coverage with limits of \$1,000,000 each accident and \$1,000,000 each employee – disease.

6.2. Additional Coverage Requirements:

6.2.1. Claims Made Coverage: If any part of the Required Insurance is written on a Contract No.: **CT-JS-23*258** {133154 / 01036103 / v2}

claims-made basis, any policy retroactive date must precede the effective date of this Contract, and Contractor must maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

- 6.2.2. Additional Insured Endorsement: The General Liability, Business Automobile Liability Policies shall each be endorsed to include Pima County, its departments, districts, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- 6.2.3. Subrogation Endorsement: The General Liability, Business Automobile Liability, Workers' Compensation Policies shall each contain a waiver of subrogation endorsement in favor of Pima County, and its departments, districts, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- 6.2.4. Primary Insurance Endorsement: The Required Insurance policies must stipulate that they are primary and that any insurance carried by County, or its agents, officials, or employees, is excess and not contributory insurance.
- 6.2.5. The Required Insurance policies may not obligate County to pay any portion of Contractor's deductible or Self Insurance Retention (SIR).
- 6.2.6. Subcontractors: Contractor must either (a) include all subcontractors as additional insureds under its Required Insurance policies, or (b) require each subcontractor to separately meet all Insurance Requirements and verify that each subcontractor has done so, Contractor must furnish, if requested by County, appropriate insurance certificates for each subcontractor. Contractor must obtain County's approval of any subcontractor request to modify the Insurance Requirements as to that subcontractor.
- 6.3. Notice of Cancellation: Contractor must notify County, within two (2) business days of Contractor's receipt of notice from an insurer, if any Required Insurance policy is suspended, voided, or cancelled for any reason. Notice must include the Pima County project or contract number and project description.
- 6.4. Verification of Coverage:
 - 6.4.1. Contractor must furnish County with a certificate of insurance (valid ACORD form or equivalent approved by Pima County) for each Required Insurance policy, which must specify that the policy has all the required endorsements, and must include the Pima County project or contract number and project description. Each certificate must be signed by an authorized representative of the insurer.
 - 6.4.2. County may at any time require Contractor to provide a complete copy of any Required Insurance policy or endorsement. Note: Contractors for larger projects must provide actual copies of the additional insured and subrogation endorsements.

6.4.3. Contractor must provide the certificates to County before work commences. Each Required Insurance policy must be in effect at least 10 days before work under this Contract commences. Contractor must provide County a renewal certificate not less than 15 days prior to a Required Insurance policy's expiration date. Failure to maintain the Required Insurance policies, or to provide evidence of renewal, is a material breach of this Contract.

6.4.4. All insurance certificates must be sent directly to the appropriate County Department.

6.5. Approval and Modifications:

The Pima County Risk Manager may modify the Insurance Requirements at any point during the Term of this Contract. This can be done administratively, with written notice from the Risk Manager and does not require a formal Contract amendment. Neither the County's failure to obtain a required insurance certificate or endorsement, the County's failure to object to a non-complying insurance certificate or endorsement, nor the County's receipt of any other information from the Contractor, its insurance broker(s) and/or insurer(s), constitutes a waiver of any of the Insurance Requirements.

7. **Indemnification.** To the fullest extent permitted by law, Contractor will defend, indemnify, and hold harmless Pima County and any related taxing district, and the officials and employees of each of them (collectively, "Indemnatee") from and against any and all claims, actions, liabilities, losses, and expenses (including reasonable attorney fees) (collectively, "Claims") arising out of actual or alleged injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by any act or omission of Contractor or any of Contractor's directors, officers, agents, employees, volunteers, or subcontractors. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Indemnatee will, in all instances, except for Claims arising solely from the acts or omissions of the Indemnatee, be indemnified by Contractor from and against any and all Claims. Contractor is responsible for primary loss investigation, defense and judgment costs for any Claim to which this indemnity applies. This indemnity will survive the expiration or termination of this Contract.

8. **Laws and Regulations.**

8.1. Compliance with Laws. Contractor will comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders.

8.2. Licensing. Contractor warrants that it is appropriately licensed to provide the services under this Contract and that its subcontractors will be appropriately licensed.

8.3. Choice of Law; Venue. The laws and regulations of the State of Arizona govern the rights and obligations of the parties under this Contract. Any action relating to this Contract must be filed and maintained in the appropriate court of the State of Arizona in Pima County.

9. **Independent Contractor.** Contractor is an independent contractor. Neither Contractor, nor any of Contractor's officers, agents or employees will be considered an employee of Pima County for any purpose or be entitled to receive any employment-related benefits, or assert any protections, under the Pima County Merit System. Contractor is responsible for paying all federal, state and local taxes on the compensation received by Contractor under this Contract and will indemnify and hold County harmless from any and all liability that County may incur because of Contractor's failure to pay such taxes.
10. **Subcontractors.** Contractor is fully responsible for all acts and omissions of any subcontractor, and of persons directly or indirectly employed by any subcontractor, and of persons for whose acts any of them may be liable, to the same extent that the Contractor is responsible for the acts and omissions of its own employees. Nothing in this Contract creates any obligation on the part of County to pay or see to the payment of any money due any subcontractor, except as may be required by law.
11. **Assignment.** Contractor may not assign its rights or obligations under this Contract, in whole or in part, without the County's prior written approval. County may withhold approval at its sole discretion.
12. **Non-Discrimination.** Contractor will comply with all provisions and requirements of Arizona Executive Order 2009-09, which is hereby incorporated into this contract, including flow-down of all provisions and requirements to any subcontractors. During the performance of this Contract, Contractor will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.
13. **Americans with Disabilities Act.** Contractor will comply with Title II of the Americans with Disabilities Act (Public Law 110-325, 42 U.S.C. §§ 12101-12213) and the federal regulations for Title II (28 CFR Part 35).
14. **Authority to Contract.** Contractor warrants its right and power to enter into this Contract. If any court or administrative agency determines that County does not have authority to enter into this Contract, County will not be liable to Contractor or any third party by reason of such determination or by reason of this Contract.
15. **Full and Complete Performance.** The failure of either party to insist, in one or more instances, upon the other party's complete and satisfactory performance under this Contract, or to take any action based on the other party's failure to completely and satisfactorily perform, is not a waiver of that party's right to insist upon complete and satisfactory performance, or compliance with any other covenant or condition in this Contract, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time is not an accord and satisfaction.
16. **Cancellation for Conflict of Interest.** This Contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Contract by reference.
17. **Termination by County.**

17.1. Without Cause. County may terminate this Contract at any time without cause by notifying Contractor, in writing, at least 30 days before the effective date of the Contract No.: **CT-JS-23*258** {133154 / 01036103 / v2}

termination. In the event of such termination, County's only obligation to Contractor will be payment for services rendered prior to the date of termination.

17.2. **With Cause.** County may terminate this Contract at any time without advance notice and without further obligation to County when County finds Contractor to be in default of any provision of this Contract.

17.3. **Non-Appropriation.** Notwithstanding any other provision in this Contract, County may terminate this Contract if for any reason there are not sufficient appropriated and available monies for the purpose of maintaining County or other public entity obligations under this Contract. In the event of such termination, County will have no further obligation to Contractor, other than to pay for services rendered prior to termination.

18. **Notice.** Any notice required or permitted to be given under this Contract must be in writing and be served by personal delivery or by certified mail upon the other party as follows:

County:

Kate Vesely, Director
Pima County Justice Services Department
201 N Stone, 2nd Floor
Tucson, Arizona 85701
(520) 724-3062
email: kate.vesely@pima.gov

Contractor:

Thomas Litwicki, CEO
Old Pueblo Community Services
4501 E 5th Street, Unit 1
Tucson, Arizona 85711
(520) 546-0122
email: TLitwicki@helptucson.org

19. **Non-Exclusive Contract.** Contractor understands that this Contract is nonexclusive and is for the sole convenience of County. County reserves the right to obtain like services from other sources for any reason.

20. **Remedies.** Either party may pursue any remedies provided by law for the breach of this Contract. No right or remedy is intended to be exclusive of any other right or remedy and each is cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Contract.

21. **Severability.** Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

22. **Books and Records.** Contractor will keep and maintain proper and complete books, records and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of County. In addition, Contractor will retain all records relating to this Contract for at least five (5) years after its expiration or termination or, if later, until any related pending proceeding or litigation has concluded.

23. **Public Records.**

23.1. **Disclosure.** Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(H) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all documents submitted in response to the solicitation resulting in

award of this Contract, including, but not limited to, pricing schedules, product specifications, work plans, and any supporting documents, are public records. As such, those documents are subject to release and/or review by the general public upon request, including competitors.

23.2. **Records Marked Confidential; Notice and Protective Order.** If Contractor reasonably believes that some of those records contain proprietary, trade-secret or otherwise-confidential information, Contractor must prominently mark those records "CONFIDENTIAL." In the event a public-records request is submitted to County for records marked CONFIDENTIAL, County will notify Contractor of the request as soon as reasonably possible. County will release the records 10 business days after the date of that notice, unless Contractor has, within that period, secured an appropriate order from a court of competent jurisdiction, enjoining the release of the records. County will not, under any circumstances, be responsible for securing such an order, nor will County be in any way financially responsible for any costs associated with securing such an order.

24. **Legal Arizona Workers Act Compliance.**

24.1. Compliance with Immigration Laws. Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to its employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor will further ensure that each subcontractor who performs any work for Contractor under this Contract likewise complies with the State and Federal Immigration Laws.

24.2. Books & Records. County has the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

24.3. Remedies for Breach of Warranty. Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor will be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion. Any additional costs attributable directly or indirectly to such remedial action are the responsibility of Contractor.

24.4. Subcontractors. Contractor will advise each subcontractor of County's rights, and the subcontractor's obligations, under this Section 24 by including a provision in each subcontract substantially in the following form:

"Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to

Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in

compliance with these requirements. Any breach of this paragraph by Subcontractor is a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

25. **Israel Boycott Certification.** Pursuant to A.R.S. § 35-393.01, if Contractor engages in for-profit activity and has 10 or more employees, and if this Contract has a value of \$100,000.00 or more, Contractor certifies it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.
26. **Forced Labor of Ethnic Uyghurs.** Pursuant to A.R.S. § 35-394, if Contractor engages in for-profit activity and has 10 or more employees, Contractor certifies it is not currently using, and agrees for the duration of this Contract to not use (1) the forced labor of ethnic Uyghurs in the People's Republic of China; (2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and (3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If Contractor becomes aware during the term of the Contract that the Company is not in compliance with A.R.S. § 35-394, Contractor must notify the County within five business days and provide a written certification to County regarding compliance within one hundred eighty days.
27. **Amendment.** The parties may modify, amend, alter or extend this Contract only by a written amendment signed by the parties.
28. **Entire Agreement.** This document constitutes the entire agreement between the parties pertaining to the subject matter it addresses, and this Contract supersedes all prior or contemporaneous agreements and understandings, oral or written.

This agreement will become effective when all parties have signed it. The effective date of the agreement will be the date this agreement is signed by the last party (as indicated by the date associated with that party's signature).

[Signature page to follow]

PIMA COUNTY

Chair, Board of Supervisors


Date

ATTEST

Clerk of the Board

Date

APPROVED AS TO FORM



Deputy County Attorney


Kyle Johnson

Print DCA Name

12/01/2022

Date

CONTRACTOR



Authorized Officer Signature

Thomas Litwicky, CEO

Printed Name and Title

12/1/22

Date

APPROVED AS TO CONTENT



Department Head

Kate Vesaw

Print Department Head Name

12/2/22

Date

Exhibit A (8 pages)
Scope of Work

- A. **Project Description:** Pima County is implementing the next phase of its Permanent Supportive Housing Project (Pilot Project, Project, or "PSH"), which is based on Housing First Principles. The Project pairs Housing Choice Vouchers rental subsidies with evidence-based community treatment for the purpose of transitioning program participants to stable housing. Additionally, the Project will provide wrap-around services to enable participants to maintain their housing, to stabilize families, to thrive in the community, and reduce the frequency of re-incarceration/detention.
- B. **Purpose Statement:** The County desires to support the greatest possible level of independence and self-sufficiency of Pima County residents by promoting their physical, mental and social well-being to cultivate a safe and healthy community. This Project will result in the target population's reduced use of emergency rooms, calls for service to first responders, jail bookings and criminal justice system involvement.
- C. **Performance-based Agreement:** This is a performance-based agreement, in which 15% of the Agreement amount will be paid to Contractor or Retained by the County is based on two performance metrics (further detailed in **Exhibit B**):
- C.1. **Jail Avoidance Metric** which will account for 5% of total retainage. Initial benchmark will be set at 20% of all program exits or less being related to re-incarceration. Any new arrests or violations while in the program will count. If the cause of arrest is due to previous events prior to program intake (e.g. a sentence imposed after entry), OPCS will not be penalized and can be addressed between Contractor and County on a case-by-case basis. Retainage will increase commensurate with higher success. This metric will gauge the program's ability to prevent subsequent any new justice system involvement up to 12 months after the participant is placed in permanent supportive housing.
 - C.2. **Housing Retention Metric** which will account for 10% of total retainage. Initial benchmark will be set as 85% retention at six and 12 months. Retainage will increase commensurate with higher success. Housing retention will be defined as the total number of days that each participant maintains a lease, sublease, or occupancy agreement in the participant's name.
- D. **Participant Eligibility:** Eligible program participants are those who:
- D.1. Have been booked into the Pima County Adult Detention Complex (PCADC), 2+ times in the previous 12 months.
 - D.2. Have a self-identified substance use or mental health condition, and
 - D.3. Are currently experiencing homelessness of any form (**see Definitions**).
- E. **Project Management:** Contractor is responsible to lead and serve as the backbone organization responsible for case management, billing and reporting.
- F. **Collaborative Partnerships:** Contractor is responsible for forming collaborative partnerships with agencies and for providing support services to the participants of the Project.
- G. **Subcontractor Relationships:** Contractor will be responsible for managing any subcontractor relationships and will be the primary contact for the Project. Contractor should provide County with written notification prior to engaging in contractual agreements.

- H. **Key Personnel:** Contractor will provide the following key personnel, as well as any personnel outlined in **Exhibit B**:
- H.1. Program Manager/Supervisor. Responsibilities include, but may not be limited to: Point of contact with the County's Program Manager, attending learning collaborative meetings, responsible for Contractor billing and invoices, supervision of Contractor's program staff
- H.2. Case Manager(s). Responsibilities include: Care coordination, assistance with document retrieval, applying for mainstream benefits (e.g. AHCCCS, SNAP, and SSI/SSDI), housing navigation, living skills training, transportation coordination). This Agreement prefers a 15:1, Program Participant to Case Manager Ratio. However, case managers may take on additional clients when case contact is not as intensive.
- I. **Data for Evaluation:** Contractor will share participant data with the County and the determined Evaluator for the purposes of program evaluation. Data to be shared may include, but is not limited to, descriptive and demographic data such as gender, age, race/ethnicity, family/single, and participation activities, length of time in the Project, etc.
- I.1. A Data Use Agreement ("DUA") outlining the use and or disclosure of limited data to be shared for evaluation purposes will be mutually agreed upon by the County, Contractor and the Evaluator.
- I.2. Program Outcomes and Indicators Information: This section is for informational purposes and advises the Contractor on how the overall program will be evaluated. The County in conjunction with Evaluator will use the following metrics for project evaluation. These indicators will be a component of the overall program evaluation and will not be used to evaluate the Contractor.

Outcomes/Indicators	Data Elements
Housing Outcomes	<ul style="list-style-type: none"> • Number of housing vouchers utilized by program participants • Number of program participants that sustain their housing for at least one year
Housing Indicators	<ul style="list-style-type: none"> • Number of program participants housed • Total number of people in households (e.g. family reunification) through vouchers • Length of time from enrollment to housing voucher approval, and lease up date, measured in Homeless Management Information System (HMIS) • Utilization rate of housing vouchers • Number of clients ineligible for housing voucher, as determined by City of Tucson Housing and Community Development Department • Duration of housing subsidy
Participant Evaluation	<ul style="list-style-type: none"> • Number of clients referred by demographics and referral source (relative to racial and ethnic disparity in jail and homeless population) • Ratio of clients referred to program participants enrolled • Program Participant attrition rate
Health-Related Indicators	<ul style="list-style-type: none"> • Number of program participants linked to behavioral/medical health services • Utilization rates of services/benefits by program participants • Average costs of emergency service for program participants
Criminal Justice Indicators	<ul style="list-style-type: none"> • Number of Jail Bookings • Number of Jail Bed Days • Number of law enforcement arrests • Number of law enforcement deflections • Cost of Jail Bed Days

Connection to Mainstream Benefits:	<ul style="list-style-type: none"> • Number of program participants increase income (employment, SSI/SSDI) • Number of program participants receiving benefits (e.g. AHCCCS, Medicare, SNAP, etc.) • Number of program participants who received IDs or birth certificates
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J. **Data for Performance Measures:** Contractor will collect and share participant data with the County for purposes of performance measures. Contractor will collect and track monthly performance metrics that include, but are not limited to the following:

- J.1. Number and source of referral,
- J.2. Demographics of clients referred,
- J.3. Number of clients completing intake and date of intake,
- J.4. Number of clients awaiting a voucher,
- J.5. Number of clients housed,
- J.6. Length of time between intake and receiving a voucher,
- J.7. Length of time from receiving the voucher until the client is housed,
- J.8. Descriptive and demographic data such as gender, age, race/ethnicity, family/single, age; veteran status; race; ethnicity; gender,
- J.9. Vulnerability Index score,
- J.10. Housing choice voucher (HCV) application status and loss of HCV, if applicable,
- J.11. Lease date and termination, if applicable,
- J.12. Rental unit move-in date,
- J.13. Monthly rental subsidy amount and utility allowance amount,
- J.14. Household information,
- J.15. Housing and homelessness history, income information; and health insurance status,
- J.16. Program exit, including date, reason exit destination, income at exit, non-cash and health insurance benefits at exit,
- J.17. New justice involvement (arrests/violations while in the program),
- J.18. Successful family reunifications and milestones of program participants.

K. **Services and Activities:** Contractor will provide and incorporate, at minimum, the following services and activities as listed below:

- K.1. **Housing deposits and applications:** Contractor must have the capacity to locate affordable housing for lease by program participants, assist program participants with application completion, negotiate with potential landlords, ensure acceptance of HGV, and support program participants in securing a lease and utilizing the allocated housing subsidy.
- K.2. **Income attainment:** Contractor will assist program participants in gaining, maintaining, and increasing income, as applicable, to promote program participant self-sufficiency.
- K.3. **Intake and assessment:** Contractor will utilize intake and assessment forms to determine participant enrollment, needs, and progress.
 - K.3.1. With County, Contractor will develop and utilize a validated assessment tool for intake/prioritization.
- K.4. **Landlord engagement:** Contractor will work with local property managers or landlords to secure necessary affordable housing units for program participants.
- K.5. **Life skills/residential services:** Contractor will make life skills and residential services available to program participants.

- K.5.1. Services may be delivered through the agency or in coordination with other community based service providers. These services may include, budgeting, tenant rights and responsibilities, independent living skills, and conflict resolution.
- K.6. **Outreach and engagement:** Contractor must coordinate program intake with referred clients, in the community or upon release from the Pima County Adult Detention Complex, and keep program participants connected to the program.
- K.7. **Service connection: (AHCCCS, Medicare, SNAP, SSI/SSDI):** Contractor will ensure that program participants are enrolled in mainstream benefits, where the program participant meets the eligibility requirements for the benefit (e.g. AHCCCS, Medicare, SNAP, and SSI/SSDI).
- K.8. **Transportation services:** Contractor must provide transportation for program participants as necessary. Transportation needs may include pickup from Pima County Adult Detention Complex at release, housing search, or transportation to program participants' scheduled appointments.
- K.9. **Out-Reach/In-Reach:** Contractor will maintain effective outreach and in-reach networks established in the Tucson metro and rural Pima County (Sahuarita, Marana, Aja, Green Valley, and Three Points). Services will include the following:
- K.9.1. A 24-hour outreach telephone number will be used when participants are located afterhours or on weekends, and the on-call operator will dispatch outreach staff as appropriate,
- K.9.2. Outreach staff, funded by Medicaid, will assist with enrolling participants in Medicaid/Medicare,
- K.9.3. Provide staff to screen and assess potential participants at the Pima County Adult Detention Center,
- K.9.4. Provide low barrier bridge housing at OPCS for women and men, couples, families, and persons with pets or hotel vouchers, and temporary storage, if needed.
- K.10. **Coordinating community resources:** Contractor is responsible for coordinating care for program participants including physical and behavioral health care.
- K.10.1. Services that are not delivered directly by the Contractor will be documented, including coordination of physical and behavioral health care.
- K.11. **Crisis intervention services/protocol:** Contractor will have a crisis protocol and plan for participants who may experience a crisis. Crisis intervention services should include harm reduction strategies, and a communication plan for program participants.
- K.12. **Document retrieval services:** Contractor will assist enrolled participants in obtaining necessary documentation for securing a lease and applying for mainstream benefits (e.g. Arizona Identification Card, Social Security Card, and Birth Certificate).
- K.13. **Voluntary Service Model:** Contractor will integrate opportunities for persons to participate in voluntary services and housing, adhering to the principles of harm reduction and Housing First. Outreach staff and Case Managers will offer repetitive opportunities to engage in housing all other services, including but not limited to integrated health services, detoxification, psychiatric care, and primary health care.
- K.13.1. **Items of necessity:** Items of basic need, such as clothing, food, water, and hygiene products will be offered to persons. Meaningful activities with a focus on engaging members in their community with activities that support recreation, social interaction, health & wellness, and employment.
- K.14. **Hours of Operation:** Contractor will maintain regular business hours from 8 - 5, M-F, with weekend outreach coverage provided. Outreach staff and intake into low-barrier bridge housing will be available 24/7 by use of an on-call phone number.

- K.15. **Intensive Case Management:** Contractor must provide Case Management services, utilizing the Intensive Case Management (ICM), Model, when working with clients involved in Housing First.
- K.16. **Trauma-Informed Care.** Contractor will incorporate trauma-informed care into all aspects of PCHF program;
 - K.16.1. Including utilization of the Adverse Childhood Events (ACE) screening,
 - K.16.2. Providing trauma-informed care training for all staff,
 - K.16.3. Working closely with Community treatment providers to ensure the assessed needs relating to trauma history are incorporated into their treatment plan.
- K.17. **Family Reunification Supportive Services:** Contractor will provide assistance to participants seeking family reunification. Contractor will abide by conditions set forth in **Exhibit B**.
- L. **Record Maintenance:** Contractor will be responsible for accurately maintaining and updating records in a timely manner. Records should include, but are not limited to intake, assessment documentation for all participant enrollment, participants' needs, and progress.
- M. **Homeless Management Information System (HMIS):** The complexity of PCHF requires the housing partner to maintain detailed and accurate information. OPCS is responsible for updating participant data in a timely manner in the Homeless Management Information System (HMIS).
- N. **Implementing "Phases" and Graduation.** Contractor will implement program milestones leading to participant graduation from the "wrap-around services" and intensive case management components of PCHF. The goal is to give participants tangible milestones and incentives to step down to lower levels of intervention and case management. Contractor will abide by conditions set forth in **Exhibit B**.
- O. **Performance Improvement:** Contractor must conduct performance monitoring and improvement of the specified outcomes as requested by the County. These efforts are intended to support learning and the sharing of best practices between contracted providers in order to improve outcomes for all program participants. This may include, but is not limited to, a monthly learning collaborative between service providers, Agreement review meetings where outcomes are discussed and strategies for improving outcomes are established, training, and compliance with support from a Third Party Consultant and program Evaluator.
- P. **Incorporating validated assessment tools:** to identify which referred individuals have the greatest needs, and therefore should be prioritized first for intake (as opposed to the current "first come, first served" process). Pima County determined that a waiting list management system is needed improvement in order to provide an objective way to serve those clients who are sitting on the waiting list while prioritizing the "higher risk" populations. Along with the current validated assessment tool utilized by Pima County Adult Probation and Pretrial Services, an additional risk assessment tool will be employed to better identify priority populations and expedite the enrollment of the most vulnerable participants. Research demonstrates that "higher risk" individuals respond more positively to the concentration of case management and other wrap-around resources that PSH provides in conjunction with the Section 8 housing voucher system. This additional assessment will identify the individuals most in need of intensive resources and enhance the program's ability to ensure access to them. Participants who score in the high-risk range will be in line for additional case management and

earlier placement in PSH. Once the prioritization tool is developed and tested, participants will be re-placed on the waiting list in PSH accordingly.

- Q. **Training Documentation:** Pima County will request documentation of Contractor staff training on a quarterly basis with an audit of personnel files to verify required staff training. Pima County will identify proper training on the following competencies: performance-based or outcomes-based procurement, reentry services, PSH, data collection, and outcomes validation.
- R. **Definitions and Practices.** County and Contractor will engage in, abide by, or utilize the agreed upon definitions/practices, as detailed below:
- R.1. **Housing First:** Housing First is a philosophy that homelessness can be most efficiently ended by providing someone with access to safe, decent, and affordable housing. Although an individual experiencing homelessness may benefit from supportive services; such as, mental health or substance abuse counseling, participation in these services is not a prerequisite to access housing or a condition of maintaining it. In fact, the stability that a housing unit provides bolsters a tenant's ability to participate in these services. The Housing First philosophy focuses on simplifying the process of accessing housing by streamlining the application process and removing unnecessary documentation or site visits. It also ensures that supportive housing tenants are not subject to conditions of tenancy exceeding that of a normal leaseholder, including participation in treatment or other services. Research has demonstrated that this approach is effective in promoting housing stability, particularly among people who have been homeless for long periods of time and have serious psychiatric disabilities, substance use disorders and/or other disabilities.
- R.2. **Case management:** A collaborative process of assessment, planning, facilitation and advocacy for options and services to meet an Individual's mental and physical health needs through communication and available resources to promote quality cost-effective outcomes. The Case Management ratio preferred in the contract is 1:15 so that the case managers can support the high-cost, high-need population involved with Housing First. However, case managers may take on additional clients when case contact is not as intensive.
- R.3. **Harm Reduction:** "The philosophy of harm reduction promotes and supports the right of people who use substances and engage in other risky behaviors to be treated with dignity and respect; their right to exercise self-determination related to use; and their right to a collaborative approach in therapeutic relationships." "Core principles include the following: individuals have a voice in their care; focus on reducing harm, not consumption; individual's decision to engage in risky behavior is accepted; individual is expected to take responsibility for their own behavior; individual is treated with dignity." (Mid-West Harm Reduction Institute).
- R.4. **Homeless Management Information System (HMIS):** The information system designated to comply with federal HUD data standards for managing information of persons experiencing homelessness.
- R.5. **Homelessness:** Persons are considered homeless if they are:
- R.5.1. Lacking a fixed, regular, and adequate nighttime residence; or
 - R.5.2. Have a primary nighttime residence that is a public or private place not meant for human habitation; or
 - R.5.3. Are living in a publicly or privately operated shelter designed to provide temporary living accommodations (including hotels, shelters, transitional housing, or by federal, state and local government programs); or
 - R.5.4. Are exiting an institution and having resided in an emergency shelter or place not meant for human habitation prior to entering that institution.

- R.6. **Permanent Supportive Housing:** Permanent housing with leasing or rental assistance paired with supportive services to assist homeless persons with a disability or families with an adult or child member with a disability achieve housing stability.
- R.7. **Voluntary Service Model (VSM):** VSM is an evidence-based practice with Outreach staff and Case Managers offering repetitive opportunities to engage in housing all other services, including, but not limited to, integrated health services, detoxification, psychiatric care, and primary health care. Individuals are also provided with items of basic need, such as clothing, food, water, and hygiene products, along with meaningful activities focused on engaging members in their community with activities that support recreation, social interaction, health and wellness, and employment.
- R.8. **Intensive Case Management (ICM):** The ICM model is one of the two evidence-based service models for PSH. It is a team-based approach that supports individuals through a case management approach. The goal is to help clients maintain their housing and achieve optimum quality of life through developing plans (i.e., treatment, housing, etc.), enhancing life skills, addressing physical and behavioral health needs (i.e., referrals to doctors, medication assistance, mental health counseling), engaging in meaningful activities, and connecting to community resources.
- R.9. **Trauma-Informed Care:** "...a service delivery approach focused on an understanding of and responsiveness to the impact of trauma. It promotes positive outcomes by emphasizing physical, psychological, and emotional safety and enhances wellbeing by empowering individuals to define their needs and goals and make choices about their care and services."
- S. **City of Tucson Roles and Responsibilities:** City of Tucson (COT) is not a party to this Agreement. It is anticipated the City of Tucson Housing and Community Development Department (THCDD) will provide the housing subsidies for the Project. THCDD will be responsible for the following:
- S.1. Administering the Housing Choice Voucher ("HCV") program under applicable rules/regulations to provide housing assistance to program participants,
 - S.2. Conducting informal reviews with Contractor and clients that are initially deemed ineligible for HCV on a case-by-case basis,
 - S.3. Conducting program interviews/briefings to explain the rules of HCV program to both program participants and Contractor representative,
 - S.4. Conducting Informal hearings with Contractor and program participants who are in jeopardy of termination.
 - S.5. Determining HCV program eligibility, the following three criteria are absolute grounds for denial of assistance for which HCV cannot consider circumstances:
 - S.5.1. Production of methamphetamines on federally subsidized property,
 - S.5.2. Participant subject to a lifetime sex offender registration,
 - S.5.3. Households where 100% of the members do not have eligible immigration status.
 - S.6. Notifying the Contractor if the referred client is not eligible under the HCV regulations,
 - S.7. Notifying the Contractor if program participants are in jeopardy of termination,
 - S.8. Providing reasonable accommodation, as required by the referred clients, on a case-by-case basis, and
 - S.9. Work with County on developing prioritization tool.
- T. **Consultants Roles and Responsibilities:**
- T.1. The County will contract with an independent third-party **Evaluator**, to provide professional evaluation services of the Project, and
 - T.2. The County will contract with an independent third-party **Technical Assistance Provider**, to provide professional consulting, training, policy and assistance for this Project.

- U. **County's Roles and Responsibilities:** As primary funder, program administrator, and coordinator, the County will be responsible for the following:
- U.1. Administer monthly payments to the Contractor and manage performance retainage,
 - U.2. Monitor Agreement terms and performance metrics,
 - U.3. Assist Contractor in the development of referral pathways,
 - U.4. Manage consulting Agreements and Independent Evaluator,
 - U.5. Coordinate activities with independent evaluator and Contractor,
 - U.6. Coordinate learning collaborative meetings, and
 - U.7. Work with the City and Contractor in developing the prioritization tool.

End of Exhibit A

Exhibit B (5 pages)
Budget, Compensation, Rates & Payment

County funding of \$530,000.00 during the initial term of the contract will be available via a performance-based contract, in which 15% of the monthly invoice amount will be retained by County and reimbursed based on metric of success. Contractor shall not surpass the not-to-exceed amount. Exceeding these thresholds or straying from the approved line items will be the fiscal responsibility of Contractor. County General Fund contributions after the 2022-2023 Fiscal Year are contingent on annual approval by the Pima County Board of Supervisors and are not guaranteed under the premise of this contract. Contractor is responsible for adhering to county fiscal year requirements, deadlines, and allocations.

A quarterly repayment structure will be used for the retainage portion of the performance-based contract. Invoices will be submitted, reviewed, and paid on a monthly basis, withholding the 15% to be released quarterly. The first quarter of the payment structure will be operated under a hold-harmless period. The hold-harmless period refers to full payment of the first quarter retainage, as metrics will not be available. All other retainage will be released adhering to the identified metrics and repayments. OPCS will utilize a reporting template that displays the reporting measures compared to the measures required for payment. Department of Justice Services will verify the reporting documents and contact Pima County Finance to distribute the appropriate funding amount.

The Housing First Program will employ a performance-based contract, which includes performance-based contracting and independent evaluation. In this stable housing performance-based payment structure, the housing provider is reimbursed 85% of monthly invoices; 15% is retained. Pima County then uses the information provided in a Performance Payment Report every quarter to calculate the performance reimbursement payment that is owed. Of this 15% retained, 10% will be retained for Housing Stability and 5% for Jail Avoidance, as outlined below.

Monthly Retainage	% of retainage
Housing Stability (6-month: 5% and 12-month: 5%)	10%
Jail Avoidance (re-incarceration)	5%
Total	15%

Based on the performance in these two categories, as further detailed below, retainage will be released accordingly. In order to receive full payment for both Jail Avoidance and Housing Stability, OPCS would have to maintain 20% or lower recidivism rates and 85% or higher of housing stability at both 6-month and 12-month, respectively. Payment will decrease as performance decreases.

Performance Target 1 – Jail Avoidance (five percent). This metric will gauge the program's ability to prevent subsequent criminal justice system involvement up to 12 months after the participant is placed in permanent supportive housing. The goal is to reduce re-incarceration, specifically defined as an entry into PCADC. If the cause of arrest is due to previous events prior to program intake (e.g. a sentence imposed after entry), OPCS will not be penalized and can be addressed between Contractor and County on a case-by-case basis. The benchmark will be no more than 20% of program exits are related to re-incarceration. Payments will be made in accordance to the following performance benchmarks: 20% or below—entire retainage is paid; 21%-35%— 85% of retainage is paid; above 35% with improved performance compared to

previous quarter—70% of retainage is paid; above 35% with no improvement—no retainage is paid.

Jail Avoidance Metric	% of paid retainage
80% of program exits not related to re-incarceration	100%
65% - 79% of program exits not related to re-incarceration	85%
Below 65% of program exits are not related to re-incarceration with improved performance compared to previous quarter	70%
Below 65% of program exits are not related to re-incarceration with no improvement	0%

Performance Target II – Housing Stability (10%): The performance-based contract metrics pertaining specifically to housing stability will add up to 10% of the total retainage. This housing stability metric will be broken down and released into two parts: *six-month retention* (five percent) and *12-month retention* metrics (five percent). Although they will be evaluated independently (5% for six-month and 5% for 12 months), they will comprise the 10% housing metric. A PSH participant will be deemed to have achieved the housing retention (six- or 12-month) thresholds if the eligible individual continues to hold a lease for permanent supportive housing from the time they are issued a housing voucher to the reporting date. Payments will be made in accordance to these performance benchmarks for 6-month and 12-month retention (calculated separately): 85% or above—entire retainage will be paid; 75%-84%—85% of retainage will be paid; below 75%, but performance has increased compared to previous quarter—70% of retainage will be paid; below 75% and no improvement has been made—no retainage will be paid. Special circumstances such as positive exits (any individual who leaves program for another permanent housing option) or mutual exits (any individual who is no longer able to utilize PCHF due to not qualifying for PCHF, forced to move due to structural issues with housing, extreme illness, or death) will not affect retention.

Housing Stability Metric – 6-Month Retention	% of paid retainage
85% or above clients achieved housing retention	100%
75% - 84% of clients achieved housing retention	85%
Below 75% of clients achieved housing retention, but performance has increased compared to the previous quarter	70%
Below 75% of clients achieved housing retention, and no improvement has been made	0%

Housing Stability Metric – 12-Month Retention	% of paid retainage
85% or above clients achieved housing retention	100%
75% - 84% of clients achieved housing retention	85%
Below 75% of clients achieved housing retention, but performance has increased compared to the previous quarter	70%
Below 75% of clients achieved housing retention, and no improvement has been made	0%

Performance Targets and Evaluation Outcomes III, IV, X not connected to Performance-Based Structure:

Performance Target III - Milestones. Contractor will also incorporate, co-created with participants, established milestones involved in the PSH program. The total number of tenants who achieve the pre-established milestone "step down" levels of intervention and those who "graduate" from the program will be utilized as another data point to evaluate the program's effectiveness. Clients will need to maintain the "step-down" for a minimum of 3 months to be considered complete. Clients will be considered a "graduate" of PCHP once they have completed all step-down approaches for at least six-month or they received a positive exit from the program. "Step-down" levels will include:

Step Down Level	Measure
Housing Self-Sufficiency	Client has not received any late notices
Financial Self-Sufficiency	Client no longer utilizes hygiene or food box assistance Client no longer needs assistance paying pay due utility bills
Justice Involvement Self-Sufficiency	Client no longer utilizes Criminal Justice Advocate because their criminal case has been completed

Performance Target IV - Family reconnection services. This can include but is not limited to clients reconnecting with their children, parents, siblings, and/ or extended family. This client-driven case-management approach seeks to identify and nurture opportunities to strengthen relationships and resolve conflicts between clients and their families. The outcome will be measured by the total number of successful family reunification for self-identified tenants compared to the total tenants participating in the family reconnection process. This outcome aims to provide successful reunification to 20% of all tenants who request to participate. While not a component of the performance payment structure in this phase, measuring these outcomes will determine the need to incorporate in future performance payment structuring phases.

Performance Target X - Validated assessment tool for intake. Through ongoing performance monitoring, it may be possible for Pima County to identify high utilizers in real-time and guide them to an alternative (more intensive) care pathway." Based on this recommendation, an additional outcome that will be utilized include incorporating a validated assessment tool during the intake processing and providing trauma-informed care in an effort to improve participant referrals to the program and identify the most appropriate placement for eligible participants. The City of Tucson is currently in the initial phase of developing a local assessment tool. Pima County will work with the City to develop the tool and utilize in programming. The development team is looking into a variety of options and seeking technical assistance to incorporate best practices and evidence-based tools into the assessment.

The Contractor may dispute any calculations by discussion with the County Contract and Compliance Specialist who will review payments and consider extenuating or unusual circumstances. County reserves the right to pay full Monthly Invoice Amount, without deductions, due to extenuating and unusual circumstances.

All the contractor's activities under this Contract must comply with the budget cost centers to be eligible for payment. Each **monthly** invoice request for payment will include the following, but is not limited to and will be in the format of **Exhibit C**:

1. Copies of timesheet that inform time work efforts
2. General ledger to support all labor and personnel charges
3. Personnel time allocation to support payroll expenses charged to this contract and

4. Copies of all receipts and/or checks (front/back) or the general ledger to support all purchased goods or services for which payment is sought
5. Other documentation, as needed and requested.

Contractor may invoice the County for administrative expenses. Request for payment of Direct and Indirect administrative expenses will include proper documentation with written notation sufficient to establish the specific expense as administrative.

Contractor must submit monthly invoice requests for payment no later than thirty (30) calendar days following the expenditure amount, except for the month of June. June requests will be submitted no later than July 8th to comply with County fiscal deadlines. Requests for retainage reimbursement must be submitted along with corresponding quarterly reports no later than thirty (30) days after the end of the quarter for which payment is being requested, except for the month of June. June requests will be submitted no later than July 8th to comply with County fiscal deadlines.

Contractor must not bill the County for costs that are being paid by another source. Contractor must notify the County within ten (10) days of receipt of alternative funding for costs that would otherwise be eligible for payment pursuant to this Contract.

Budget synopsis of allocated program funding

Old Pueblo Community Services (OPCS) provides all direct services to program participants (including program intake, transitional housing, and placement in permanent supportive housing, as well as all supplemental wrap-around resources, treatment coordination, and additional case management support beyond what an individual receives through mental health and/or substance use services).

The total amount of funding budgeted for OPCS for Fiscal Year 2022-2023 is \$530,000.00. A breakdown of their funding is estimated as follows:

Old Pueblo Community Services Pima County Housing First Program (PCHF)	
COST CATEGORY	AMOUNT
Total Personnel, Taxes & Benefits	\$214,472.00
Participant Costs	\$60,450.00
Maintenance & Operations	\$166,745.00
Administrative/Indirect	\$88,333.00
TOTAL PROGRAM BUDGET	\$530,000.00

PCHF operates on a braided funding model, subject to contributions from the City of Tucson, donations to OPCS, and Medicaid billings.

Other programmatic expenses outside of or exceeding the above breakdown will be the fiscal responsibility of Contractor.

Line items are estimates only. Contractor may use reasonable discretion to deviate from projected figures as long as the variance is not more than 10% of the total budget value, and the total amount invoiced does not exceed the NTE amount. Changes less than 10% of the total annual budget are allowable and do not need approval, but require written notification. Changes between line items that exceed 10% of the total annual budget may be granted by and at the sole discretion of the Director of Justice Services or designee. Requests for a budget modification must be made via the form found in **Exhibit E** (1 page).

End of Exhibit B

Exhibit C (1 page)

Invoice

PIMA COUNTY INVOICE REQUEST
PIMA COUNTY GENERAL FUNDS

HOUSING FIRST Invoice For The Month Of _____, 2022-2023

This invoice is to be used for submitting all PERMANENT SUPPORTIVE - HOUSING FIRST PROJECT Billing to Pima County

PLEASE SEND INVOICE TO THE ATTENTION OF:

AGENCY INVOICE IS FOR:

PIMA COUNTY CONTRACT # CT-JS-23*258

FISCAL YEAR: 2022-2023

Pima County Justice Services
ATTN: McKenzie Derfus
Housing First Project
201 N Stone, 2nd Floor
Tucson, AZ 85701Old Pueblo Community Services
ATTN: Ellyn Langer
4501 E. 5th Street
Tucson, AZ 85711INVOICE DATE: _____
PROGRAM NAME: Permanent Supportive - Housing First ProjectFEDERAL CONTRACT #: N/A
CDFA #: N/A

INVOICE #: _____ MAJ PRGM/PRGM: _____

APPROVED BUDGET & BILLING DETAILS

PAYMENT TERMS: Net 30 Days	APPROVED REVISED BUDGET	Jul-22 Billed Amt	Aug-22 Billed Amt	Sep-22 Billed Amt	Oct-22 Billed Amt	Nov-22 Billed Amt	Dec-22 Billed Amt	Jan-23 Billed Amt	Feb-23 Billed Amt	Mar-23 Billed Amt	Apr-23 Billed Amt	May-23 Billed Amt	Jun-23 Billed Amt	TOTAL PAID YTD	REMAINS TO BE SPENT
Personnel & Fringe Benefits	214,472.00													-	214,472.00
Equipment Costs	-													-	-
Participant Service Costs	60,450.00													-	60,450.00
Operating Costs	166,745.00													-	166,745.00
Administrative Costs	88,333.00													-	88,333.00
TOTAL CONTRACT BILLING	530,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	530,000.01
Retainage (10%)														-	-
Retainage Released														-	-
ADJUSTED CONTRACT BILLING		-	-	-	-	-	-	-	-	-	-	-	-	-	-

By signing this report, I certify that to the best of my knowledge: (1) the information reported represents actual receipts and actual expenditures which have been incurred in accordance with the agreement for management and implementation of the PERMANENT SUPPORTIVE - HOUSING FIRST PROJECT and are based on official accounting records and supporting documents which will be maintained by us for purposes of audit; and (2) the report is true, complete and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of this award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statement, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

Old Pueblo Preparer Signature - please print & sign _____ Date _____ Contact Phone Num/Ext _____

Old Pueblo Authorized Approver Signature - please print & sign _____ Date _____ Contact Phone Num/Ext _____

NOTE: QUARTERLY REPORT DUE WITH JUNE, SEPTEMBER, DECEMBER & MARCH INVOICES.
IF YOU DO NOT SUBMIT YOUR QUARTERLY REPORT, YOUR INVOICE WILL NOT BE PAID.

	ENTER YES	ENTER NO
Quarterly Report 1 has been submitted with the September 2022 Invoice		
Quarterly Report 2 has been submitted with the December 2022 Invoice		
Quarterly Report 3 has been submitted with the March 2023 Invoice		
Quarterly Report 4 has been submitted with the June 2023 Invoice		

FOR PIMA COUNTY USE ONLY

Date bill rcv'd/Initials _____ Date rtnd for corrections/Initials _____ Date rvwd & submitted for payment/Initials _____

HOUSING FIRST Program Reviewer Signature - please print & sign _____ Date _____

HOUSING FIRST Authorized Approver Signature - please print & sign _____ Date _____

**Exhibit D (1 page)
Quarterly Report - Retainage**

			2019	2020				2021				2022			
			Oct-Dec	Jan-Mar	Apr-Jun	July-Sept	Oct-Dec	Jan-Mar	Apr-Jun Revised	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
CURRENT QUARTER	STAYERS	Housed 90 days or less	0	0	0	37	36	12	26	7	21	10	4		
		Housed 91-365 days				65	85	66	60	54	36	33	22		
		Housed 366+ Days				2	12	19	37	61	85	81	82		
	LEAVERS	Housed 90 days or less				0	0	2	2	2	0	1	0		
		Housed 91-365 days				9	2	10	0	4	12	2	8		
		Housed 366+ Days				0	2	4	4	7	13	14	13		
PREVIOUS QUARTERS (CUMULATIVE)	LEAVERS	Met Retainment Measure				9	13	27	31	42	67	83	104		
		Did Not Meet Measure				2	2	4	6	8	8	10	10		
	Retainment 90 Days					77/79	111/115	113/119	129/137	158/168	189/199	192/200	207/215		
	Retainment %					97.5%	96.5%	95.0%	94.2%	94.0%	95.0%	96.0%	96.3%		

Contractor will utilize the template above for retainage reports, unless County and Contractor mutually agree upon another template. Reports must include all of the necessary metrics and performance targets including, but not limited to: Housing Stability, Jail Avoidance, Family Reconnection Services, and Milestones.

Exhibit E (1 page)
Budget Modification Request
Pima County
Budget Modification Request FY 2022-2023

**IMPORTANT - the deadline for all budget modification request(s) is
six weeks before the contract end date.**

DATE OF REQUEST: _____ CONTRACT #: CT-JS-23*258

REQUESTING AGENCY: _____ MAJOR PRG/PROGRAM

NAME OF REQUESTOR: _____

AGENCY ADDRESS: _____

AGENCY CITY/STATE/ZIP: _____ CONTRACT DATES

PROJECT:

BUDGET LINE ITEM DESC	CURRENT BUDGET	REQ MODIFICATION	MODIFIED BUDGET	% change
Salaries & Fringe	_____	_____	_____	#DIV/0!
Materials & Supplies	_____	_____	_____	#DIV/0!
Travel	_____	_____	_____	#DIV/0!
Operating Costs	_____	_____	_____	#DIV/0!
Indirect Costs	_____	_____	_____	#DIV/0!
TOTALS	\$ -	\$ -	\$ -	#DIV/0!

You MUST include a written justification for the modification for the line item(s) you wish to change.

This explanation must include the following items:

- (1) Why is the request needed.
(2) What was the event that lead to the request.
(3) How will this request solve/address the aforementioned issue(s).

How the specified purpose, program(s), metrics, or outcomes set forth in Contract will continue to be met, despite the requested change.

Prepared by - please sign & print

Date

Contact email & phone number

Authorized Agency Signature - please sign & print

Date

Contact email & phone number

PLEASE EMAIL THIS REQUEST TO

McKenzie Derfus
Mayra Ramos

mckenzie.derfus@pima.gov
Mayra.Ramos@pima.gov

Approved by Pima County

Signature

Date