

**Item Title:** Consider Additional Funding Commitment and Appropriation for the Healing Transitions Men's and Women's Campus Expansion and Renovation

**Specific Action Requested:**  
**That the Board of Commissioners:**

- 1. Considers committing an additional \$3,500,000 to support renovations and expansions at Healing Transitions Women's and Men's Campus; and**
- 2. Appropriates \$3,500,000 for this funding commitment and \$1,000,000 from the November 19, 2019 funding commitment from the ABC committed Fund Balance to be transferred to the County CIP Fund for Healing Transitions Capital Project.**

**Item Summary:**

**Purpose:** In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the Board of Commissioners must approve all amendments that increase the budget for a fund, including the new appropriation of fund balance.

**Background:** Healing Transitions is undertaking a \$16.9 million capital campaign to expand its men's and women's shelters, a \$5.15 million increase from their initial estimates in 2018. The organization submitted an updated request to the County requesting a grant of \$6,000,000 from the County. Wake County has previously awarded \$500,000 towards the men's campus expansion needs and \$1,500,000 towards the women's campus expansion needs. Staff recommends an additional \$3.5 million allocation to support the men's and women's campus renovation and expansion. The Board is also asked to appropriate the funding from this commitment and the commitment made by the Board on November 18, 2019.

**Board Goal:** This action supports Board Initiative CH 1.6 to enhance substance abuse treatment options and SEV1 to reduce or end homelessness.

**Fiscal Impact:** A total of \$4.5 million of ABC committed fund balance will be directed toward the Healing Transitions Capital Project budgeted in the Community Capital Element of the County Capital Fund. The remaining ABC committed fund balance will be available to support the next proposed Community Capital competitive process.

### **Additional Information:**

Healing Transitions operates and provides critical services at their Men's Campus (180 beds) and Women's Campus (120 beds): Long term recovery, overnight shelter, non-medical detox and family services. The organization is confronted with overcrowding; either turning people away or stressing the staff and facility due to inadequate space.

This project has been in development for several years. The County initially committed \$500,000 to the Men's Campus during the 2018 Community Capital process and an additional \$1,000,000 for the Women's Campus resulting from a 2019 request for funding.

Healing Transitions \$16.9 million capital campaign aims to expand the Men's and Women's shelters. Healing Transitions presented a project update and funding request to the Board of Commissioners at the September 29, 2020 Work Session.

#### **Men's Campus:**

\$9.7 million project cost includes:

- Adds capacity for 110 additional beds for a total capacity of 290 beds
- Renovates and expands bathing and laundry services
- Enlarges kitchen and dining
- New vocational and training building to replace current sheds
- New classroom as use of Dix Chapel was eliminated
- Full expansion needs include administrative space, enlarged community room and beds for individual in the transition stage of program.

#### **Women's Campus:**

\$6 million project cost includes:

- Adds capacity for 90 additional beds for a total of 210 beds
- Renovates and expands bathing and laundry services
- Enlarges kitchen and dining
- New administrative and community building allowing for greater separation and privacy between program participants, staff, and community visitors

The County recommends providing an additional funding commitment of \$3,500,000. This amount, in addition to the current commitment of \$1,500,000 represents 32% of the total project cost. The recommended amount is based on guidelines in our Community Capital program that funds similar requests capping contributions at 35% of the capital cost. Funds would be provided from the County's ABC committed fund balance.

This funding commitment preserves the ability to allocate approximately \$2.5M of the County's remaining ABC committed fund balance to support the next proposed Community Capital competitive process to be held no sooner than Fall of 2022.

The Board is requested to approve an appropriation for both the \$3,500,000 requested today and the \$1,000,000 approved by the Board on November 18, 2019 to document the commitments in the County's financial records. A funding agreement between Wake County and Healing Transitions will be negotiated specifying the terms and requirements

for release of the funds. The original commitment of \$500,000 was appropriated through the Community Capital process so no further action is required from the Board.

**Attachments:**

1. Presentation
2. Healing Transitions Capital Campaign Request
3. Budget Memo – FY 2021 Non-Departmental
4. Budget Memo – FY 2021 County Capital Fund – Community Capital