LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
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May 19, 2014

TO: Each Supervisor

FROM: Robin Kay, Ph.D. for
Marvin J. Southard, D.S.W.
Director

SUBJECT: **SERVICE AND FISCAL IMPACT OF CHANGE IN SERVICE DELIVERY LOCATIONS FOR DOWNTOWN MENTAL HEALTH PROGRAMS (ITEM # 55 – AGENDA OF MAY 20, 2014)**

During the May 13, 2014, meeting of your Board, pursuant to a motion by Supervisor Gloria Molina, the Chief Executive Office (CEO) was directed to immediately identify alternative locations for three Los Angeles County Department of Mental Health (DMH) programs originally scheduled to occupy leased space at Little Tokyo Lofts. An amendment by Supervisor Mark Ridley-Thomas directed DMH to report back in one week on the financial and service impact of the required relocation. As discussed during the meeting of your Board, the analysis is predicated on several possible scenarios. This memorandum will provide you with background information and an analysis of the two most likely scenarios.

Background:

The DMH Downtown Mental Health Center (DMHC), headquartered at 529 Maple Street, Los Angeles, currently delivers a variety of mental health programs including:

- Crisis Resolution Services - intended to address the immediate assessment and stabilization needs of individuals who are entering mental health treatment.
- Wellness Services - offered by three interdisciplinary teams, providing ongoing mental health and case management services for individuals on the path to recovery.
- Prevention and Early Intervention (PEI) Services - which address the short-term treatment needs of individuals encountering an acute mental health stressor.
- CalWORKs Mental Health Services - which help individuals – primarily women – overcome the mental health obstacles they face in seeking employment.

Due to the size of the population currently served, additional DMHC programs are offered at two satellite locations:

- Field-based services are housed at 522 San Pedro Street but are delivered throughout the downtown area.

- Full Service Partnership services are located at 529 Maple Street in Little Tokyo Lofts, where the team has delivered services to individuals with serious and persistent mental illness since 2011.

Using Mental Health Services Act funding, your Board approved a plan for the purchase and renovation of the DMHC Maple Street location. The goal of this acquisition is to update the facility and attempt to create more usable space since, in its current configuration, the building is inadequate for the needs of staff and the population that is served. Concurrent with the renovation, the CEO Real Estate Division attempted to identify lease space that could accommodate the facility needs anticipated to continue after the renovation of the Maple Street location. After a two-year search of 13 potential facilities in the downtown Los Angeles area, Little Tokyo Lofts was identified as the site for permanent relocation of the following three programs currently housed at Maple Street: one Wellness Team, CalWORKs Mental Health Services, and PEI Services. During the period of the renovation, all remaining Maple Street staff will be housed in several trailers situated on parking lot space in the downtown area; these programs will return to the Maple Street location once the construction is completed.

Based on Supervisor Molina's Motion, DMH and the CEO must accomplish two objectives: 1) identify DMH administrative programs that can occupy the leased space in Little Tokyo Lofts and 2) attempt to locate alternate space for the three teams listed above. The analysis of these objectives including the fiscal and service impacts are described in the sections that follow.

Objective #1: Identify DMH administrative programs that can occupy the leased space in Little Tokyo Lofts

Status: Completed

For the past year, DMH has been working with CEO to identify space for the Department's Countywide Resource Management (CRM) division. To comply with the motion approved by your Board, DMH will move the CRM staff, along with some support staff from DMHC, to Little Tokyo Lofts.

Service Impact: None.

Fiscal Impact: No fiscal impact due to reconfiguring interior space at Little Tokyo Lofts. CEO has worked with the owner of the commercial ground floor leased space to modify the build-out plan with no additional cost to the County. It is estimated that an additional $6,000 per month will be required for staff parking.

Objective #2: Attempt to locate space for staff of the CalWORKs, Wellness, and Prevention and Early Intervention Treatment Teams

DMH was asked to quantify the fiscal and service impacts attributable to not locating the three above treatment teams at Little Tokyo Lofts. This fiscal/service impact analysis is contingent upon the ability of CEO to identify alternative space. Two likely scenarios are outlined below.

Scenario 1: CEO Identifies Alternative Space

In Los Angeles County the CEO Real Estate Division has responsibility for managing and negotiating all leased space for County departments. DMH is responsible for providing the CEO with a space request document that details the specific space needs of the program searching for a site. DMH has provided the CEO with the specifications required for the Wellness Team, CalWORKs Mental Health Team, and the PEI Team. In addition, DMH has now provided the CEO with square footage required for each team should they be housed individually. DMH has also provided the square footage requirements for various combinations of the three teams in the event several – but not all – of the teams might be housed together. Should the CEO succeed in identifying alternative space for any or all of the displaced teams, there will be little or no fiscal or service impact to DMH or our clients. We will direct the lease funding, previously identified for these three services, to a new leased facility. Any impact would be derived from potentially higher lease costs that are unknown at this time. CEO Real Estate is diligently seeking appropriate alternative space, including a review of leads offered in public testimony to the Board on May 13, 2014.

Scenario 2: CEO Cannot Identify Alternative Space

DMH has been working on emergency contingency plans in the event the CEO Real Estate Division cannot identify alternative space in the short term. Since the Maple Street location must be vacated in order to begin construction in June or July, DMH is preparing to relocate teams on an emergency basis so that services may continue without interruption for clients that are in ongoing treatment. The alternatives currently identified will enable the two continuous treatment teams to continue delivering services in the downtown area without interruption, albeit in smaller clinical spaces; eventually, these teams will return to Maple Street. For the two years of the renovation, this will result in a decrease in service level with a concomitant decrease in revenue. However, clients will continue to be served. At this time, the CEO has not identified space for one team. As a result, should additional space be unavailable at the time the Maple Street location must be vacated, DMH will elect to disperse the treatment team that provides time-limited services and will redirect staff to other clinics. Details are as follows:

- CalWORKs Mental Health Services. DMH intends to relocate seven CalWORKs mental health staff to space at the Leavey Community Health Center. The amount of interview/treatment space available is less than that occupied by the team at Maple Street and will result in less service delivered to the 300 clients. Decrease in service levels with a corresponding decrease in revenue is projected at $235,000 per year. Additional rental costs for the Leavey Community Health Center space is approximately $3,000 per month for the space and $490 per month for seven parking spaces.

- Wellness Team. DMH plans to move the Wellness Team into the temporary trailers where they will join two additional Wellness Teams and the Crisis Resolution Services. Support staff for these programs will be moved to Little Tokyo Lofts. Although this will provide workspace for the Wellness Team, the additional clinical interview/treatment space will not be increased. Therefore, for the two years of the Maple Street renovation, the Wellness Team will encounter limitations in level of services that can be delivered resulting in a projected loss of $775,000 in revenue. Nevertheless, DMH will continue to serve the 800 clients assigned to this team, albeit approximately 50% less frequently than would have been possible at Little Tokyo Lofts. Some inefficiency will also result from the separation of support staff from the clinical teams to which they are attached. DMH will also continue to explore field-based options for delivery of wellness services (e.g., use of space in parks) to mitigate the reduction in services due to space limitation.

- Prevention and Early Intervention Services. By definition, PEI services are short-term interventions. DMHC served 313 PEI clients in Fiscal Year 2012-13; many of the clients currently in treatment will complete their course of therapy within the next several months. DMH continues to work with the CEO to identify an alternative space for this team. At the present time, until space can be identified, DMH plans to relocate the PEI staff to other directly-operated clinics. This will represent a loss of service to approximately 300 clients in the downtown area each year. However, since the relocated staff will continue to serve clients in other communities, there is no anticipated fiscal impact due to this change.

Additional Question: Complaints to Law Enforcement Regarding DMH Clients

During the meeting of your Board, DMH was asked about the number of documented incidents of DMH clients wandering into private Little Tokyo Lofts residential space. DMH has contacted the Sheriff's Department staff assigned to the DMH FSP program and the security guard employed by Little Tokyo Lofts. Neither has been able to recall or produce any documented incident in which a DMH client wandered into private residential space at Little Tokyo Lofts. DMH has reviewed the log of Security Incident

Reports dating back to February 2012 and finds no documented incidents of this nature. It should be noted that in the original design of the FSP suite at Little Tokyo Lofts, DMH and the CEO space planners took precautions to ensure that clients and staff would not encroach on the shared corridor that separates the rear of the commercial ground floor space from ground floor lofts. A glass wall with security keypad separates client areas that are situated in the front of the building from the support areas in the rear. DMH staff is cautioned to use the door to the shared corridor in case of emergency only.

DMH was also asked whether we were aware of crime reports to the Los Angeles Police Department (LAPD) regarding DMH clients at Little Tokyo Lofts. Staff has researched the LAPD web site which contains information regarding criminal activities for the past six months. The site lists no crimes for the Little Tokyo Lofts location during this time period.

If you have any questions, please contact my office, or your staff may contact Robin Kay, Ph.D., Chief Deputy Director, at (213) 738-4108.

MJS:RK:lw

c: Chief Executive Officer
Executive Officer, Board of Supervisors
County Counsel
Health Deputies