



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Linda Stewart, Director, Neighborhood and Community Services *lcs*  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution Authorizing an Agreement with Alliance for South Sound Health to Provide \$1.5 Million towards Construction of a New Behavioral Health Hospital – August 28, 2018  
**DATE:** August 20, 2018

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**SUMMARY:**

Resolution authorizing an agreement with Alliance for South Sound Health to provide \$1.5 million in the 2017-2018 biennium towards the construction of a new behavioral health hospital on the Allenmore Hospital Campus in Tacoma.

**COUNCIL SPONSORS:**

Mayor Woodards.

**STRATEGIC POLICY PRIORITY:**

This resolution best aligns with the strategic policy priorities to:

- Strengthen and support a safe city with healthy residents; and,
- Ensure all Tacoma residents are valued and have access to resources to meet their needs.

**BACKGROUND:**

The Alliance for South Sound Health (a joint venture of MultiCare Health System and CHI-Franciscan Health) had been granted approval to build and operate a new \$41 million behavioral health hospital. This hospital would provide year round treatment for up to 5,000 patients and include 120 beds for voluntary and involuntary admissions.

Currently the state of Washington ranks 48<sup>th</sup> out of the 50 states for prevalence of mental health services and access to care, particularly when it comes to inpatient capacity. The national average for beds is 26.1 per 100,000 population. Washington State averages 8.3 and Pierce County averages 2.8 beds per 100,000. Our community therefore is critically underserved and we must act to ensure the citizens of Tacoma have access to the mental health services they need. Building this facility would push our average beds to 16.6 beds per 100,000 people. This is still under the nationwide average, but significantly expands our current capacity.

The City of Tacoma has repeatedly shown our commitment to expanding mental health services, as evidenced by the implementation of the Mental Health Sales Tax. However, mental illness continues to be an issue in our community. Untreated mental illness or substance use disorders and their related problems have clear and negative impacts on businesses and urban residential living. Mental illness and substance use disorders often result in increased poverty, homelessness, and the breakdown of families.

We all share in the ultimate costs for dealing with the issues of substance use disorders and mental health. For example, an individual without substance abuse treatment can cost a community approximately \$22,000 in emergency room visits, criminal justice services, and child welfare every year. By ensuring adequate treatment, we can reduce that cost to an estimated \$2,430.



A Council Consideration Request was shared at the June 7, 2016 Study Session to bring forth Resolution No. 39470 on June 14, 2016, which was adopted at the June 14<sup>th</sup> City Council meeting; however, that resolution's funding commitment was contingent on funds being available and subject to future City Council appropriation and on the Alliance for South Sound Health securing other funds needed to complete the project before the City's contribution was released..

**ISSUE:**

Several local municipalities have pledged funds to ensure this critical project is built to serve the residents of our communities. The City's commitment to contribute \$1.5 million in the 2017-2018 biennium for a one-time expenditure to the Alliance for South Sound Health is needed to secure additional funding to build a new behavioral health hospital on the Allenmore Hospital Campus in Tacoma.

**ALTERNATIVES:**

The City Council could choose to adopt, reject, or modify this agreement and contribution commitment.

**RECOMMENDATION:**

The adoption of this resolution is recommended for the purpose the design, study, and/or construction of the behavioral health hospital, which is imperative in demonstrating support for this project and for securing additional funding for the proposed facility.



**FISCAL IMPACT:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1185 – Mental Health Chemical Dependency	858200	6545000	\$1,500,000.00
<b>TOTAL</b>			<b>\$1,500,000.00</b>

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1185 – Mental Health Chemical Dependency	858200	4300000	\$1,500,000.00
<b>TOTAL</b>			<b>\$1,500,000.00</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$1.5 million**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes**

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**

N/A