

**Snohomish County****Human Services**

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MEMORANDUM

Date: April 21, 2025

To: Lacey Harper, Executive Director

From: Mary Jane Brell Vujovic, Director of Human Services

Re: **Budget Amendment No. 22A to Ordinance No. 24-083 for the Lynnwood Crisis Care Facility**

I am writing to request an extension of the deadline to meet the conditions outlined in Budget Amendment No. 22A to Ordinance No. 24-083 regarding the one-time appropriation of \$3,000,000 from the Affordable Housing and Behavioral Health Sales Tax Fund for start-up and operational funding for the Lynnwood Crisis Care Facility. The Council appropriated these funds on November 25, 2024 predicated on the following conditions being met by April 30, 2025:

1. A fully executed lease agreement for the crisis care facility is in place between a service provider selected by the North Sound BH-ASO (the "Provider") and the City of Lynnwood.
2. Evidence that the Provider:
 - a. has made application to the State of Washington for appropriate licensure to operate the crisis care facility;
 - b. has entered into negotiations with all of the Managed Care Organizations operating in the State of Washington; and
 - c. has entered into negotiations with private insurance companies.
3. The North Sound BH-ASO must first expend existing state funding allocated for operations at the crisis care facility.

The North Sound BH-ASO, in conjunction with the City of Lynnwood and support from a countywide partners group which included Snohomish County representatives, released a Request for Proposal (RFP) opportunity for a service provider for the facility in March 2025. As of today's date, the RFP has closed and no service provider has been selected to provide services at the facility. The RFP is scheduled to be re-released to solicit additional applicants with a closing date of May 7, 2025.

To support the recruitment of a qualified service provider for this facility, I would like to request Council consider an extension of the deadline to July 1, 2025 to meet all conditions outlined in Budget Amendment No. 22A to Ordinance No. 24-083.

Please advise me of any additional documentation you need from me to schedule a time and date for consideration of this request should you concur.

Thank you for your time and consideration.

Attachment: Amendment No. 22A to Ordinance No. 24-083

cc: Amanda Franke, Behavioral Health and Veterans Services Division Manager

APPROVED

AMENDMENT NO. 22A TO ORDINANCE NO. 24-083

ADOPTING THE 2025-26 BIENNIAL BUDGET AND MAKING APPROPRIATIONS
FOR THE OPERATION OF COUNTY AGENCIES AND DEPARTMENTS
AND CAPITAL IMPROVEMENTS FOR THE PERIOD BEGINNING
JANUARY 1, 2025 AND ENDING DECEMBER 31, 2026

Brief Title: Operations at the Lynnwood Crisis Care Facility

Proposed by: Councilmember Peterson and Vice Chair Nehring

Under Section 9. Budget conditions and notes, under (A) Budget Conditions, insert:

(X) Operations at the Lynnwood Crisis Care Facility. A facility for crisis care is located at 19321 44th Avenue West, Lynnwood, WA 90036 (the "crisis care facility") and requires funding for operations in 2025.

To support the provision of behavioral health services at the crisis care facility, the County will set aside for one-time only \$3,000,000 in 2025 from the Affordable Housing and Behavioral Health Sales Tax Fund conditioned only to be used pursuant to an agreement with Snohomish County and the North Sound Behavioral Health Administrative Services Organization (the "BH-ASO") which shall be approved by the County Council by ordinance.

The agreement between Snohomish County and North Sound BH-ASO must include the following terms:

- A. No funding shall be released unless the following actions are completed by April 30, 2025:
 1. A fully executed lease agreement for the crisis care facility is in place between a service provider selected by the North Sound BH-ASO (the "Provider") and the City of Lynnwood.
 2. Evidence that the Provider:
 - a. Has made application to the State of Washington for appropriate licensure to operate the crisis care facility.
 - b. Has entered into negotiations with all of the Managed Care Organizations operating in the State of Washington.
 - c. Has entered into negotiations with private insurance companies.
 3. The North Sound BH-ASO must first expend existing state funding allocated for operations at the crisis care facility.

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ADOPTING THE 2025-26 BIENNIAL BUDGET AND MAKING APPROPRIATIONS FOR THE
OPERATION OF COUNTY AGENCIES AND DEPARTMENTS AND CAPITAL
IMPROVEMENTS FOR THE PERIOD BEGINNING JANUARY 1, 2025, AND
ENDING DECEMBER 31, 2026.

- B. Funding shall be released by the County to the North Sound BH-ASO on a reimbursement-only basis and upon County receipt of invoice, along with any documentation required by the Department of Human Services, from the North Sound BH-ASO.

If the agreement terms are not met, the agreement shall terminate and the conditioned funds will be returned to the Affordable Housing and Behavioral Health Sales Tax Fund fund balance.

Snohomish County will seek reimbursement from the Washington State Legislature for the Affordable Housing and Behavioral Health Sales Tax Fund in the total amount of funds spent on operations at the crisis care facility.

The Department of Human Services will submit to Council written reports detailing expenditure of these funds to report date under Administrative Matters within 60 days of the end of each quarter in which funds are spent.

Council Disposition: Nehring-Peterson, approved four to one with Dunn voting against
Date: 11/25/24

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