



AGENDA STAFF REPORT

Control: 26001279

MEETING DATE: 05/19/2026

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): District 1, District 2 and District 3

SUBMITTING AGENCY/DEPARTMENT: Probation

DEPARTMENT CONTACT PERSON(S): Daniel Hernandez, 714-645-7001
Todd Graham, 714-645-7003

SUBJECT: Amendment Four to Contract with Action Alliance Foundation

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approve agreement to form	DISCUSSION
		3 Votes Board Majority

Budgeted: Yes	Current Year Cost: \$277,170	Annual Cost: FY 2026-27 \$2,450,000 FY 2027-28 \$2,450,000
Staffing Impact: No	Funding Source: See Financial Impact Section	Sole Source: No
Current Fiscal Year Revenue: N/A		County Audit in Last 3 years: No

Levine Act Review Completed? Yes

Prior Board Action: 7/23/2024 #37

RECOMMENDED ACTION(S):

Authorize the County Procurement Officer or Deputized designee to execute Amendment Four to the subordinate contract with Action Alliance Foundation for the provision of Housing Services for Adult Clients to increase the contract amount for the current term ending June 30, 2026 by \$277,170 for a revised annual amount not to exceed \$1,945,170, renew the subordinate contract for two additional years, effective July 1, 2026, through June 30, 2028, in an amount not to exceed \$4,900,000, for a revised cumulative amount of \$6,845,170, and amend terms governing service locations, fees, and budgets.

SUMMARY:

Approval of subordinate contract with Action Alliance Foundation for the provision of Housing Services for Adult Clients will provide temporary housing for adults during their transition back into the community in a safe and drug-free environment.

BACKGROUND INFORMATION:

This subordinate contract (Contract), acknowledging the urgent necessity emphasized by the OC Cares initiative, targets a noticeable gap in housing support for those under the Orange County Probation

Department’s (Probation) supervision or involved in the justice system. The overarching goal of this program is to reduce incarceration rates, offer supportive services and aid with community reentry. This initiative, committed to fostering positive community outcomes, has identified a pressing issue regarding housing stability for individuals under probation supervision. In response, Probation is committed to addressing this service gap, specifically focusing on the unhoused adult population, and aims to implement strategies that not only address immediate housing needs but also contribute to the long-term rehabilitation and successful reintegration of individuals within the justice system. The goal is to extend housing assistance to individuals currently under Probation’s supervision or who are at risk of entering into the judicial system.

The table below shows the previous actions taken by the Orange County Board of Supervisors (Board) and Amendments approved for the Contract.

Board Date	Contract or Amendment Number	Term	Maximum Obligation	Action Taken
7/23/2024	MA-057-24011014	7/31/2024 – 6/30/2026	\$1,668,000	Board approved Contract with Action Alliance Foundation
N/A	Amendment One	10/9/2024 – 6/30/2026	\$1,668,000	Added a fourth housing location to the contract
N/A	Amendment Two	1/15/2025 – 6/30/2026	\$1,668,000	Added fifth location to the contract and updated conflict of interest contract language
N/A	Amendment Three	4/8/2025 – 6/30/2026	\$1,668,000	Added a sixth location to the contract

Scope of Services

Probation is responsible for referrals to Contractor for Housing and/or Recovery Residence Services under this contract. Under the Subordinate Contract, Action Alliance Foundation (AAF) will collaborate with Probation to provide housing advocacy to clients who are transitioning back into the community and provide pathways to supportive services. These services would be provided to clients preparing for re-entry into the community after release from a detention facility or court proceedings that have led to supervision or potential supervision. To maximize the impact of housing assistance programs, it is crucial to establish and strengthen collaborations with community organizations, housing providers, and other relevant stakeholders. This is accomplished by AAF attending recovery meetings, hosting annual community events, and maintaining communication with case workers and community partners. By doing so, the effectiveness of these programs is enhanced and individuals on probation receive the support they need. Addressing housing needs not only contributes to the overall well-being of probationers but also helps create a positive and supportive environment conducive to their successful reintegration into society.

Individuals eligible for services include:

- homeless individuals 18 years and older with a substance use disorder co-occurring with mental illness,
- those who are on, or at risk of formal probation, mandatory supervision, or under the jurisdiction of Assembly Bill 109 (2011) and need structured housing arrangements.
- homeless individuals who are 18 years or older and under the jurisdiction of Juvenile Court anyone receiving Medication-Assisted Treatment (MAT) services referred by Probation.

Adult Housing Services are reimbursed at \$55 per bed day, which includes two meals per day, or a \$50 weekly food voucher, or a combination of food combined with a food voucher less than \$50. Participants may stay in adult housing for up to nine months, with an extension, if necessary, not to exceed 365 days in supportive housing. Probation has partnered with AAF to increase the bed count and number of housing locations as additional space became available, due to the success the program has seen. With this increased availability, the original bed count has doubled from 33 to 66. As a result, the current year's not to exceed amount must be adjusted from \$1,668,000 to \$1,945,170 to support the increased capacity and allow more Probation clients to be served.

If a program participant has been prescribed MAT, AAF staff will facilitate communication with physicians and the participant to discuss dosage and side effects and will abstain from providing medication guidance, outside of the advice of an appropriately qualified medical professional. The Contractor will admit all persons referred by Probation, as space allows.

There is a waiting list for the program, with 16 clients currently waiting for additional bed space to open. With the renewal of this contract, AAF will provide approximately 52 additional beds, bringing the total available to 118, with three additional facilities added, which would begin July 2026 if approved by the Board.

A Good Neighbor Policy is included in residential program contracts wherein Contractor provides services to County residents, and the services may have a potential impact on the surrounding neighborhoods including, but not limited to, environment, safety and congregation. AAF meets the Orange County Adult Alcohol and Drug Sober Living Facilities Certification Guidelines and have been certified by the Orange County Sheriff's Department.

Services will be provided in the following cities, or at any other location approved in advance, in writing, by the County of Orange (County). AAF has included three new additional housing units for the program's use.

City	Number of Locations
Anaheim	3
Orange	3
Santa Ana	2
Westminster	1

Performance Measures and Outcomes

In calendar year 2025, 618 referrals to Action Alliance were made by Probation with 252 clients entering supportive housing. Of the 252 entries, 207 were discharged within calendar year 2025. The table below shows all discharges from the program and the average length of stay.

Discharge Outcome*	Count	Percent of Total	Average Length of Stay (Days)
Successful	67	32%	111
Unsuccessful	120	58%	33
Neutral	20	10%	16
Grand Total	207	100%	57

**Successful discharges include clients that utilize services provided, follow house rules, etc., throughout the program. Unsuccessful discharges include program abandonment and removal from house by Action Alliance due to violations of house rules. Neutral discharges include voluntary termination of service by client, medical issues/discharges, left for treatment center, etc.*

While in housing, clients are involved in multiple forms of activities (prosocial, community referral, and other services provided) such as attending recovery support meetings (30 meetings in the first 30 days, then 4 meetings per week thereafter) and weekly house meetings. They also engage in exploring resources that are provided by Action Alliance and any resources provided within the community. These resources assist in finding employment, volunteer work, or educational/vocational school participation. Clients also engage in developing budget and housing plans to transition to permanent housing, reviewing medical/dental/mental health resources with house managers and exploring services within the Orange County Health Care Agency (HCA) and Medi-Cal.

The program’s performance is tracked by the following measures: stable housing and employment. Both program performance measures were met in CY2025. These targets are only applicable to those who successfully completed the program. The Contractor is on target to meet the program goals for the current calendar year. See the table below.

Performance Measures	Target	CY 2025	Jan – Mar 2026
Stable Housing	≥80%	100%	97%
Employment	≥80%	96%	97%

Probation is now requesting approval from the Board of Amendment Four to Subordinate Contract with Action Alliance Foundation for provision of Housing Services for Adult Clients to amend and increase the contract amount by \$277,170 for the current term ending June 30, 2026, for a revised contract year amount not to exceed \$1,945,170. If approved, Amendment Four will also renew and amend the Subordinate Contract with Action Alliance Foundation for provision of Housing Services for Adult Clients, effective July 1, 2026, through June 30, 2028, in an amount not to exceed \$4,900,000 for a revised cumulative total of \$6,846,170. Amendment Four also changes certain details regarding the facilities where the services will be provided and the fees and budget that govern the Subordinate Contract.

These services are dependent on the Cooperative Contract (Cooperative) that has been Board approved through the HCA. Prior to the expiration of this Cooperative, the HCA plans to solicit for these services

under a new contract. Upon approval of a new Cooperative under the HCA, Probation will negotiate a new Subordinate contract with the selected vendors for services beyond June 30, 2028.

The Contractor's performance has been confirmed as satisfactory. The Orange County Preference Policy is not applicable to this contract renewal. Probation has verified there are no concerns that must be addressed with respect to AAF's ownership/name, litigation status or conflicts with County interests. The appropriate due diligence has been conducted and the AAF has been verified to be in good standing. The contract does not currently include subcontractors or pass through to other providers. See Attachment B for the contract summary form.

FINANCIAL IMPACT:

Appropriations for this Contract are included in Budget Control 057 FY 2025-26 and will be included in the budgeting process for future years. The services provided under this proposed contract are funded by: State: 40% (SB 678 Community Corrections Performance Incentives, 2011 Public Safety Realignment (AB109), GF: 60%. The Contract includes provisions allowing the Probation Department to terminate the Contract, reduce the level of services, and/or renegotiate the levels of services provided, as necessary, and without penalty.

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

N/A

ATTACHMENTS:

Attachment A - Amendment Four to Contract MA-057-24011014 with Action Alliance Foundation

Attachment B - Contract Summary

Attachment C - Cooperative Agreement MA-042-23011088