



Partner Prospectus & Strategic Plan 2024-2025



firststephouse.org

Executive Summary

For 66 years, First Step House has served the Salt Lake Valley with a simple mission: to help people build lives of meaning, purpose, and recovery. People arrive at First Step House with a powerful will to get better, but few resources. They may be coming directly from jail or a shelter. They may not know where they can safely live after treatment. We recognize that treatment, though key to recovery, is not enough on its own. Housing, healthcare, employment, and therapy are necessary complements to behavioral health treatment. First Step House provides support services that wrap around our clients as they work on their recovery. Our goal is to help clients stabilize in all aspects of their lives, so they can build a stronger foundation for long-term success. We opened a medical clinic in our admissions wing when we saw that many clients had gone years without medical care before walking through our door. Today, all new clients receive a physical exam, immunizations, and screening for acute and chronic conditions. We built a case management department and an employment program so clients can address housing barriers, find housing, and apply for jobs while in treatment. Peer support and a long-term recovery program ensure our clients remain connected with others who will show up for them in recovery and root for their success.

Every day, we have the privilege of seeing our clients overcome great barriers and improve their lives, their families' lives, and our community. Holistic support during and after treatment helps our clients avoid returning to homelessness or jail. However, supportive services can only do so much. **Affordable housing solves and prevents homelessness.** 1,700 First Step House clients each year work incredibly hard in treatment for the chance to recover and rebuild their lives. But if they cannot afford a safe place to live when they graduate, how can they maintain that hard-won stability?

The number of people experiencing homelessness in Salt Lake County increased by 10% between 2022 and 2023. In the same period, chronic homelessness increased by 32%. There is simply not enough housing to meet the need, especially for people made vulnerable by serious behavioral health conditions.

Together, we can change these numbers. First Step House started developing affordable housing because the need in our community is so great, opening two apartment buildings in 2020 to serve 115 people who would otherwise be homeless. As community need deepens, so does our commitment to building safe, supportive, deeply affordable housing. We have six decades of experience as a healthcare and service provider for people with serious health needs. As a result, we are uniquely prepared to continue creating housing that integrates care and support to prevent future homelessness. We will double our portfolio of deeply affordable housing in the next two years, bringing 165 new units into service at four new buildings.

With continued support from our community and government partners, First Step House will keep fighting to end homelessness in the Salt Lake Valley for as long as it takes. We will remain on the front lines of the housing crisis, advocating for those who face hardship, illness, and substance use disorder. We will design housing and treatment programs that give people a chance to live with dignity. Together, we will make our community a better, safer place for everyone.

In partnership,



Shawn McMillen
Executive Director

About First Step House

Since 1958, First Step House has helped people in the Salt Lake Valley get back on their feet after addiction and homelessness. We provide treatment, deeply affordable housing, and integrated services such as healthcare and employment to about 1,700 people each year. We collaborate with local government and other service providers to identify community needs and prevent gaps in the social fabric. Our target population is very low-income, with serious and chronic behavioral health conditions such as substance use disorder and mental illness. Most First Step House clients have experienced homelessness or are at risk of becoming homeless. Many have spent time in jail or prison. At First Step House, they regain stability, dignity, and hope.

Our Mission and Vision

OUR MISSION IS TO HELP PEOPLE BUILD LIVES OF MEANING, PURPOSE, AND RECOVERY.

To fulfill our mission, First Step House commits to the following vision:

- People in need have access to the highest quality treatment for substance use disorders and behavioral health conditions.
- People experiencing mental illness and other struggles have a permanent home and ongoing support.
- People experiencing homelessness, including veterans, can access safe, supportive housing.
- Our community experiences fewer recurrent jail stays, visits to the emergency room, and preventable deaths.

Our Values

INTEGRITY.	We make choices consistent with our principles, keep our promises, and work to earn the trust of our clients, community, staff, and partners.
TRANSPARENCY.	We proactively communicate our practices, policies, and decisions and hold space for the open exchange of ideas. We foster a culture of accountability for leadership, staff, and clients.
IMPROVEMENT.	We rigorously evaluate programs, procedures, and our own performance to identify opportunities for change and growth. We solve problems collaboratively, with enthusiasm and hope, sharing a goal to make our organization better.
EQUITY.	We seek out and welcome clients, staff, and partners from all identities and walks of life. We work to understand and correct disparities in treatment access and health outcomes for people of different backgrounds.
COMPASSION.	We recognize the intrinsic value and humanity of every person we serve and work alongside. We believe every person is worthy of respect, dignity, care, and connection.

First Step House Programs

TREATMENT

SUBSTANCE USE DISORDER TREATMENT (206 BEDS)

- Central City Men's Residential Treatment (440 S 500 E, Salt Lake City)
- Fairpark Men's Residential Treatment (411 N Grant St, Salt Lake City)
- REACH Men's Residential Treatment for SUD and Recidivism (950 E 3300 S, Millcreek)
- Outpatient Co-Ed SUD Treatment (434 S 500 E, Salt Lake City)
- REACH Men's Outpatient SUD Treatment (950 E 3300 S, Millcreek)

TREATMENT ACCESS AND HEALTHCARE NAVIGATION

- Gail Miller Homeless Resource Center Program (242 W Paramount Ave, Salt Lake City)

HOUSING

RECOVERY HOUSING PROGRAM (34 BEDS – SOON TO BE 52)

- Men's Recovery Residences (Salt Lake City), including Trolley Lane (Opening 2024)
- FSHR House Mental Health Court Housing (Salt Lake City)

VETERANS TRANSITIONAL HOUSING (72 BEDS)

- Valor House (720 Valdez Drive, Salt Lake City)

PERMANENT SUPPORTIVE HOUSING (115 UNITS – SOON TO BE 262)

- Central City Apartments (439 S Denver St, Salt Lake City)
- Medina Place Apartments (426 S 500 E, Salt Lake City)
- Stratford Apartments (Opening late 2024 at 218 S 100 E, Salt Lake City)
- 44 North Apartments (Opening 2026 at 44 N 1000 W, Salt Lake City)
- 273 East Apartments (Opening 2027 at 273 E 800 S, Salt Lake City)

SERVICES

WRAPAROUND SUPPORTIVE SERVICES

- Case Management
- Medical Clinic
- Employee Preparation and Placement
- Long-Term Recovery Management
- Nursing Services
- Peer Support Services
- Transportation
- Food and Nutrition

CASE MANAGEMENT

HOUSING CASE MANAGEMENT

We provide case management to all First Step House clients with a history or risk of homelessness. We also partner with community agencies to provide case management at deeply affordable housing sites:

- Housing Connect scattered site housing (Salt Lake County)
- The Point Airport (2333 W North Temple, Salt Lake City)
- Richmond Flats (2960 S Richmond St, Salt Lake City)
- Residences at Fireclay I (Opening 2024 at 106 W. Fireclay Avenue, Murray)
- Residences at Fireclay II (Opening 2025 at 152 W 4250 S, Murray)
- Birkhill Lofts (Opening 2026 at 4277 South Main, Murray)

Achieving Our Vision in 2024

OUR VISION LAST YEAR WAS TO STRENGTHEN INTERNAL SYSTEMS TO DRIVE IMPROVEMENT IN ALL AREAS AND DEVELOP AFFORDABLE HOUSING TO MEET COMMUNITY NEED.

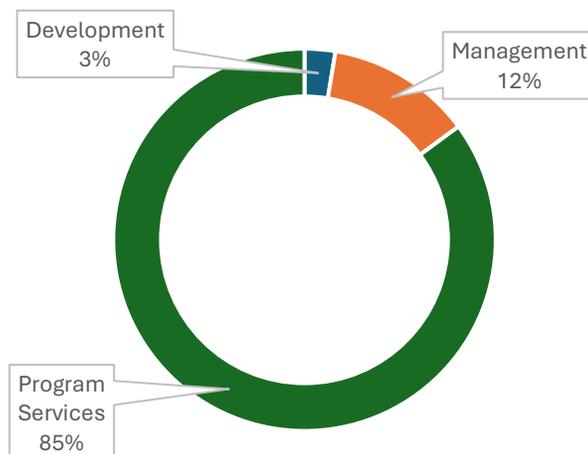
Notable Achievements:

- 1,686 people participated in our treatment or housing programs.
- First Step House was voted a **2024, 2023, 2022, and 2021 Top Workplace** in the *Salt Lake Tribune*.
- First Step House was voted the #2 Top Utah Non-Profit in *Salt Lake Magazine's* "Best of the Beehive."
- We implemented a new Electronic Health Record to improve client care, efficiency, and transparency.
- We started renovations on a **new recovery residence at Trolley Lane**, which will add 18 beds of deeply affordable transitional housing when it opens in Fall 2024.
- We rehabilitated 46 units of **new permanent supportive housing at Stratford Apartments**, scheduled to open in Winter 2024.
- We were awarded Low Income Housing Tax Credits valued at roughly \$13 million in equity to **build 67 units of permanent supportive housing** at 44 North Apartments in partnership with Housing Connect.
- We entered agreements to provide case management and supportive services to tenants at risk of homelessness in several new deeply affordable housing developments opening in the next few years.
- A 5-year study by the Utah Criminal Justice Center at the University of Utah confirmed that our REACH treatment program **significantly decreased arrest rates** and days incarcerated among participants.
- We completed the first year of our ongoing **Equity self-study**.

FY 2024 Financial Snapshot

JULY 1, 2023 – JUNE 30, 2024 ORDINARY INCOME AND EXPENSES

FY 24 Expenses: \$19,616,626



Bold Strategic Projects in 2025

OUR VISION THIS YEAR IS TO EXPAND DEEPLY AFFORDABLE HOUSING AND SUPPORT WHILE INVESTING IN STAFF, FACILITIES, AND ORGANIZATIONAL SYSTEMS.

Notable Projects:

- Open the new 18-bed recovery residence at Trolley Lane.
- Open the new 46-unit permanent supportive housing at Stratford Apartments.
- Break ground on the new 67-unit permanent supportive housing building at 44 North Apartments.
- Cultivate opportunities for new deeply affordable housing and a new SUD treatment facility.
- Conduct a feasibility study to expand medical services.
- Implement a new HR Information System to improve recruitment and retention.
- Implement year two of an SUD Treatment Improvement Plan.
- Implement year two of the Equity self-study.

Partnership Opportunities in 2025

OUR IMPACT IN THE COMMUNITY IS POSSIBLE THANKS TO OUR PARTNERS' GENEROSITY AND COLLABORATIVE INSIGHTS.

All First Step House programs serve LMI populations in Salt Lake County and contribute to:

- Affordable Housing
- Community Services
- Neighborhood Revitalization

Without grant funding support from our partners, key First Step House housing and wraparound support programs would not fully meet the need in our community. We welcome any opportunity to discuss new and expanded partnerships to help fund these priority program areas this year:

- Basic Needs: Food and Housing Barrier Relief
- Wraparound Services for Permanent Supportive Housing
- Transitional Housing for Veterans at Valor House
- New PSH Development at 44 N 1000 W
- Medical Care Integration program expansion
- Employment program expansion

Community partners also contribute essential on-the-ground support as sponsors and volunteers:

- **Volunteer** with us year-round
 - Dinner meal prep and service
 - Painting veteran rooms at Valor House
 - Landscaping, exterior cleanup, and gardening help
 - Activity nights for residents
 - Clean and prep interiors of new buildings before tenants move in
- **Cater and serve a Holiday Meal** (Veterans Day, Thanksgiving, December holidays, Valentine's Day, Memorial Day, Fourth of July) at one of our housing residences
- **Host a Donation Drive** with your employees and tour the First Step House Recovery Campus as a group when you deliver your donations
 - "Welcome Home" kits for clients moving into permanent housing
 - Home cleaning kits
 - Hygiene kits
 - Gift cards and small household gifts to celebrate the holidays
- **Sponsor Valor Month** in February to help end veteran homelessness locally
- **Sponsor *First Course for First Step House*** in May to celebrate First Step House partnerships

Budget FY 2025

JULY 1, 2024 – JUNE 30, 2025 ORDINARY INCOME AND EXPENSES

Income

Contributions and Support

Individual Contributions	77,500.00
Foundation Contributions	226,500.00
Corporate Contributions	260,000.00
Special Event	111,000.00

Total Contributions and Support 675,000.00

Donated Goods

In-Kind Contributions	294,000.00
-----------------------	------------

Total Donated Goods 294,000.00

Grants and Contracts

Veterans Administration - Grant Per Diem	1,445,071.00
TriCare/Triwest	480,170.00

Total Grants and Contracts 1,925,241.00

County

Salt Lake County - HOME Grants	639,975.00
Salt Lake County - CDBG Grants	246,200.00
Salt Lake County - DBHS	961,686.00

Total County 1,847,861.00

State

DHHS Grants	464,176.00
DWS - Food Stamps	388,116.00
DWS - State Homelessness Funding	165,985.00
Medicaid	9,899,039.00
DWS - HOME ARP Grants	119,124.00

Total State 11,036,440.00

City

Salt Lake City - FOF Grants	489,692.00
Salt Lake City - ESG Grants	39,437.00
Salt Lake City - CDBG Grants	751,876.00
Salt Lake City - CRAG Grants	136,000.00
Salt Lake City - HOME Grants	678,000.00

Total City 2,095,005.00

Agency

Housing Connect	700,236.00
Medicaid - ACOs	1,200,096.00
Medicaid - Optum	2,403,531.00
The Road Home	62,512.00
UTA	117,240.00
Miscellaneous Agency	54,932.00

Budget

FY 2025 CONTINUED

Total Agency	4,538,547.00
Other Contract Revenue	
Related Party - Service income	389,238.00
Total Other Contract Revenue	<u>389,238.00</u>
Revenue from Clients	
Client Rent	210,036.00
Total Revenue from Clients	<u>210,036.00</u>
Revenue from Other Sources	
Miscellaneous Revenue	4,592.00
Interest Income	144,000.00
Total Revenue from Other Sources	<u>148,592.00</u>
Total Income	<u>23,159,960.00</u>
Gross Profit	<u>23,159,960.00</u>

Expense

Personnel Expenses

Regular Payroll Expenses	13,082,256.00
Payroll PTO Expense	65,412.00
Payroll Tax Expense	1,000,800.00
Employee Benefits	1,554,180.00
Workers Compensation Insurance	48,000.00
Unemployment Insurance	58,872.00
401(k)	196,236.00
Payroll Servicing Fees	46,500.00
Miscellaneous Employment Expenses	32,712.00
Staff Development	250,563.00
Employee Incentives	56,232.00
Health and Wellness	10,000.00
Total Personnel Expenses	<u>16,401,763.00</u>

Contractual Services

Accounting Fees	63,360.00
Legal Fees	18,000.00
IT Services	123,312.00
Other Contractual Services	30,540.00
Total Contractual Services	<u>235,212.00</u>

Non-Personnel Expenses

Food Service Supplies	419,496.00
House Supplies	159,108.00
Office Supplies	65,004.00
UA Supplies	77,088.00

Budget

FY 2025 CONTINUED

Medical Supplies	57,072.00
IT Supplies	125,000.00
Uniforms	6,750.00
Postage & Shipping	4,636.00
Donated Materials & Supplies	294,000.00
Telephone & Telecommunications	145,776.00
Software Expense	287,440.00
Events	3,000.00
Fundraising Events	18,000.00
Client Assistance	945,663.00
Vehicle Expenses	192,342.00
Curriculum	26,840.00
Client Recreation & Incentives	137,434.00
Total Non-Personnel Expenses	2,964,649.00
Facilities & Equipment Expense	
Occupancy Expense	214,014.00
Related Party Expense	12,216.00
Related Party In-Kind Rent Exp.	105,093.00
House Maintenance	601,420.00
Utilities	275,220.00
Interest expense	135,047.00
Depreciation & Amortization	594,664.00
Equipment Rental	35,892.00
Total Facilities & Equipment Expense	1,973,566.00
General Expenses	
Meeting Expenses	40,780.00
Marketing & Advertising	17,000.00
Bank Service Fees	16,008.00
Insurance - Non-Employee	293,089.00
Travel Expense	9,650.00
Licenses and Permits	25,406.00
Dues & Memberships	20,691.00
Total General Expenses	422,624.00
Business Expenses	
Bad Debt Expense	4,536.00
Total Business Expenses	4,536.00
Total Expense	22,002,350.00
Net Ordinary Income	1,157,610.00

Our Leadership

FIRST STEP HOUSE BOARD OF DIRECTORS

Kerry Bate, Board Chair and Member of Finance Committee

Emeritus Executive Director of the Housing Authority of the County of Salt Lake

Jacob C. Smith, Board Vice-Chair and Member of Finance Committee

CFO Consultant, Clabby Consulting

Brandy Farmer

Community Activist & Chair of Civico Mexicano

Annette Fleckenstein, PhD, Board Secretary

Professor, University of Utah School of Dentistry

Pamela Gold

VP Sales and Account Management, Utah and Idaho Markets, United Healthcare

Kyle Jensen, Board Treasurer and Member of Finance Committee

Vice President Private Wealth Advisor, US Bank

Charles Talcott

Addiction Therapist, Department of Veterans Affairs



FIRST STEP HOUSE EXECUTIVE TEAM

Shawn McMillen, MPA, ASUDC

Executive Director

Austin Davis

Associate Director

Mary T. Calhoon

Development Director

Jared Ferguson, LCSW

Mental Health Treatment Services Director

Jazz Hamilton

Human Resources Director

Kevin Hamlet

Operations Director

Daniel Mulcahy, CMHC

SUD Treatment Services Director

Amy Relf, CMHC

Quality Improvement Director

Heidi Spence

Finance Director



CONTACT US

Mary T. Calhoon

mcalhoon@firststephouse.org

(801) 358-8862 x2128



First Step House is a 2024 Top Workplace!
4 Years Running