

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Behavioral Health and Recovery Services

BOARD AGENDA # *B-5

Urgent

Routine

AGENDA DATE January 15, 2008

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval Of A Sub-Lease With Telecare Corporation To Provide Coordination Of Care For Adult Mental Health Consumers At 500 N. Ninth Street, Modesto, California - Behavioral Health And Recovery Services

STAFF RECOMMENDATIONS:

Authorize the Behavioral Health Director, or her designee, to execute a sub-lease with Telecare Corporation for space at 500 N. Ninth Street, Modesto, California.

FISCAL IMPACT:

Behavioral Health and Recovery Services has negotiated a 5-year lease for 22,712 square feet of space at 500 North Ninth Street, Modesto, CA. Telecare Corporation, a for-profit organization that has been an organization contractor with Stanislaus County for several years, will occupy 8,296 square feet and will pay for 37% of the lease costs. Anticipated occupancy of this space is March 1, 2008. For the period of March 1, 2008 through June 30, 2008, Telecare will reimburse Behavioral Health and Recovery Services at a rate of \$1.25 per square foot for a monthly total of \$10,370.00.

Continued on Page 2

BOARD ACTION AS FOLLOWS:

No. 2008-035

On motion of Supervisor Monteith, Seconded by Supervisor Grover

and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, Monteith, DeMartini, and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

FISCAL IMPACT: (Continued)

In addition, Telecare will share in the actual cost of utilities, janitorial and security, estimated at \$.33 per square foot (\$2,737.68 per month). The balance of the lease costs will be shared by existing Behavioral Health and Recovery Services programs using funds already appropriated in the fiscal year 2007-2008 budget. The agreement does contain a "funding out" clause should there be a need to vacate before the end of the lease period. No additional appropriations or County General funds are requested.

DISCUSSION:

In an effort to provide the greatest access to its consumers, Behavioral Health and Recovery Services has historically provided service clinic sites throughout Stanislaus County. While providing the best access, this method of service provision has proven to be the most costly. In recent years, budget challenges have forced the Department to close many of these sites.

In addition to regional service sites, the Department has many specialty and contract programs located within Modesto that provide services to adults with serious and persistent mental illness and/or alcohol or other drug abuse/addiction, and each are paying rent to a different landlord. Behavioral Health and Recovery Services has the opportunity to co-locate four department-run programs and two programs contracted through Telecare Corporation, Inc. serving similar populations, along with two consumer and family advocate organizations into one location in a facility being constructed on Ninth Street. Co-location of these services will create a "one-stop" full service location with the ability to share needed resources such as clerical, transportation and physician time. Services provided at the Ninth Street location will encompass various levels so consumers may transition between programs without having to change service sites. The anticipated move-in date is March 1, 2008.

Programs to be located at this site include:

- West Modesto Regional Services, currently located at 1100 Kansas Ave. Staff at this site provide mental health assessment, case management, therapy, and medication management; and substance abuse counseling for adult consumers.
- Wellness Recovery Center, currently located at 920 12th Street. Services at this site are provided with the focus of "Recovery is Possible". Providers also include consumer/peer recovery specialists who provide peer support, peer directed activities and groups.

Approval Of A Sub-Lease With Telecare Corporation To Provide Coordination Of Care For Adult Mental Health Consumers At 500 N. Ninth Street, Modesto, California - Behavioral Health And Recovery Services

Page 3

- Psychiatric Liaison Clinic, also located at 920 12th Street. Medical Staff (Psychiatrists and Nurses) at this clinic provide medication management for consumers who do not need more intensive levels of service along with medications.
- Integrated Forensics Team, currently located at 1720 G Street. The three programs located within this team provide assistance to mentally ill clients involved with the Criminal Justice System.
- The Stanislaus County chapter of the National Alliance for the Mentally Ill is currently located with the Behavioral Health and Recovery Services administrative offices at 800 Scenic. This organization provides educational and recovery groups for clients & family members.
- The Stanislaus County chapter of the Mental Health Consumer Network is also currently located with the Behavioral Health and Recovery Services administrative offices at 800 Scenic. This consumer-directed organization provides support, advocacy, activities and peer counseling for consumers and family members.
- East Modesto Regional Services and Telecare Recovery Access Center/ Westside Homeless Outreach Program, currently located at 1601 Yosemite Blvd. Behavioral Health and Recovery Services contracts with Telecare Corporation, to provide mental health treatment and medication management to adult consumers, along with outreach, support, counseling and temporary housing for mentally ill homeless adults or those at risk of homelessness.

Behavioral Health and Recovery Services proposes to sub-lease 8,296 square feet of space at the site to Telecare Corporation to provide the services noted above. Many of the clients served by Telecare are also open, or may be referred to, the programs that will be located at this site. It will be beneficial to clients and their families to have the programs co-located at the site on Ninth Street. This will allow clients who receive services from Telecare and Behavioral Health and Recovery Services, as well as those provided by the consumer and family groups to more readily access services and support. It will also expedite referrals from one program to the other. Additionally, all programs will be able to share resources such as reception, clerical support, physician time, interview and conference rooms, and transportation. The lease for this property spans a 5-year period. This was negotiated with the landlord in an effort to keep rental costs at a lower rate for a longer period of time. Telecare's sub-lease will be also be for the 5-year period. Both the County's lease and the Telecare sub-lease contain a standard "funding out" provision for any future loss of funding.

Approval Of A Sub-Lease With Telecare Corporation To Provide Coordination Of Care
For Adult Mental Health Consumers At 500 N. Ninth Street, Modesto, California -
Behavioral Health And Recovery Services
Page 4

POLICY ISSUES:

The co-location of Behavioral Health and Recovery Services programs and those administered by Telecare Corporation supports the Board of Supervisors' priority of the efficient delivery of public services in collaboration with public and private partnerships.

STAFFING IMPACT:

There are no staffing impacts associated with this item.

11/5/08

SUB-LEASE AGREEMENT
Telecare Corporation
500 N. 9th Street, Bldg B, Modesto, CA

This sub-lease agreement is made and entered into in the City of Modesto, State of California, on the 12 day of February, 2008 by and between the **COUNTY OF STANISLAUS**, a political subdivision of the State of California and a body corporate and politic, hereinafter referred to as "Sub-lessor", and Telecare Corporation, hereinafter referred to as "Sub-lessee", for and in consideration of the premises, and the mutual promises, covenants, and agreements as are hereinafter set forth.

1. Premises – Sub-lessor hereby leases to Sub-lessee, and Sub-lessee hereby hires from Sub-lessor, those certain premises in the County of Stanislaus, more particularly described as 500 N. 9th Street, Bldg B, Modesto, CA (8,296 sq ft @ \$1.58 per sq ft). Sub-lessee's cost per square foot includes maintenance, janitorial, security, and utilities.
2. Payment – Sub-lessee agrees to pay to Sub-lessor for the said premises during the term hereof, \$13,107.68 or 37% of the total lease costs per month payable on the first day of the month or in advance in its entirety, this amount is subject to adjustment to reflect the actual cost for services and utilities outside the actual rental cost throughout the term of this sublease agreement..
3. Term – The term of this lease shall be for a period of five years, commencing at 12:01 A.M. on March 1, 2008, or upon completion of tenant improvements and terminating at 11:59 P.M. on February 28, 2013 or upon termination of organizational provider agreements between Telecare Corporation and Stanislaus County, Behavioral Health and Recovery Services.
4. Utilities -
 - (A) Lessor shall pay for the furnishing of water, sewer, and garbage which may be used in or upon the premises during the term of this sublease or any extension or holdover period thereof.
 - (B) Sub-lessee shall pay for the furnishing of telephone which may be used in or upon the premises during the term of this lease, or any extension or holdover period thereof, provided that Sub-lessee has contracted therefore directly with the respective telephone company. Utility costs shall be included in the monthly payment by Sub-lessee to Sub-lessor.
5. Use of the Premises – Sub-lessee's use of the premises is for the purpose of client counseling. Sub-lessee shall not use or permit said premises to be used for any other purpose or purposes without first obtaining the written consent of Sub-lessor, which consent shall not be withheld unreasonably.

6. Waste or Nuisance – Sub-lessee shall not commit or permit the commission by others of any waste on the premises; Sub-lessee shall not maintain, commit or permit the maintenance or commission of any nuisance as defined in California Civil Code section 3479; and Sub-lessee shall not use or permit the use of the premises for any unlawful purpose.
7. Maintenance – Lessor under the underlying lease is obligated to keep in good repair and maintain at his own expense the leased premise including but not limited to walls, including glass, ceilings, roofs, floors, hall and entrance ways, sidewalks, parking spaces, heating equipment, cooling equipment, plumbing, lighting, (excluding light bulbs and tubes) and electrical wiring and fixtures. Excluding heating and cooling equipment, and normal wear and tear, Sub-lessee shall be responsible for repairs if damage was caused by Sub-lessee's negligence. Sub-lessee shall keep and maintain the premises and the improvements on the premises in good order and repair and in as safe and clean a condition as they were when received by him from Sub-lessor. Sub-lessor shall provide lawn maintenance service in which costs have been included in the monthly rate paid by Sub-lessee.
8. Holding Over – In case Sub-lessee holds over beyond the end of the term herein provided, with the consent expressed or implied of Sub-lessor, such tenancy shall be from month to month only, subject to the terms and conditions of this lease, but shall not be a renewal thereof, and the rent to be paid therefore shall be at the rate prevailing under the terms of this lease.
9. Option to Renew – This lease may be renewed at the option of Lessee for a period of five (5) years from the expiration of the original term, and at succeeding -0- periods on the same terms. Such options are to be exercised in writing at least one (1) month prior to the termination of the existing lease period. Renewal subject to negotiation.
10. Entry – Sub-lessee shall permit Lessor, Sub-Lessor, or their authorized agents free access to the premises at all reasonable times for the purpose of inspection or for making necessary improvements or repairs.
11. Janitorial Services – Sub-lessor shall furnish such janitorial service as is necessary on the premises which shall be reimbursed by Sub-lessee on a monthly basis.
12. Alterations – Sublessee shall not make or permit any other person to make any alterations to the premises or any improvement thereon without the prior written consent of the sublessor and original Lessor. Sublessee is not to remove any trees or structures located on the premises without the prior written consent of sublessor and original Lessor.
13. Notices – Notices desired or required to be given by this lease or by any law now or hereinafter in effect, may be given by enclosing the same in a sealed envelope

addressed to the party for whom intended and by depositing such envelope, with postage prepaid, in the United State Post Office or any substation thereof, or any public letter box, and any such notice and the envelope containing the same shall be addressed to Sub-lessor as follows:

**Stanislaus County
Behavioral Health and Recovery Services
Contract Manager
800 Scenic Drive
Modesto, CA 95350**

or such other place as may hereinafter be designated in writing by Sub-lessor and the notices and envelopes containing the same to the Sub-lessee shall be addressed as follows:

**Telecare Corporation
Attn: Ross C. Peterson, VP
1080 Marina Village Parkway, #100
Alameda, CA 94501**

14. Loss –Lessor agreed, in the underlying lease, that, should the demised premises be so badly damaged by fire, incidents of war, earthquake, or other violent action of the elements as to render them wholly unfit for Sub-lessor's occupancy, then the lease would be terminated immediately upon the happening of any such event whereupon Sub-lessor shall surrender the premises. Sub-lessee shall surrender the premises to sub-lessor should that event occur, and, sub-lessee would not be liable for any further payments. In the event of any lesser damage by any such cause, Lessor has agreed to restore the premises to the condition it was in immediately prior to the event causing the damage, and the underlying lease, and, this sublease, payment shall abate in proportion to the area not used by Lessee, and, sublessee, during the period of restoration. If Lessor, under the underlying lease, should fail to pursue said restoration work with reasonable diligence to completion, Sub-lessor may surrender the premises, and, would require that sublessee also surrender the premises.
15. Trade Fixtures – Sub-lessee may install such fixtures, equipment, and personal property as may be necessary and convenient for its operation. Such furnitures, equipment, and personal property may be removed at any time during Sub-lessee's tenancy or within a reasonable time thereafter, and shall not be considered part of the premises. Removal of the same shall not damage or deface the premises, and if the premises shall be so damaged, Sub-lessee shall repair such damage at its own expense.
16. Fire and Other Perils Insurance – The parties agree to be responsible for damage by the perils of fire, extended coverage, and vandalism to those items of real and

personal property for which they hold title or for which they have assumed liability to others.

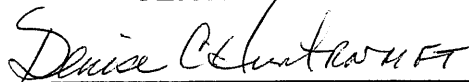
17. Waiver of Rights of Subrogation – Sub-lessor and Sub-lessee agree that in the event of loss due to any of the perils for which they have agreed to provide insurance, that each party shall look solely to its insurance for recovery. Sub-lessor and Sub-lessee hereby grant to each other on behalf of any insurer providing insurance to either of them with respect to the premises, a waiver of any right of subrogation which any insurer of one party may acquire against the other by virtue of payment of any loss under such insurance.
18. Liability Insurance – Sub-lessee agrees to hold Sub-lessor harmless from loss occurring on the premises and arising out of Sub-lessee's occupancy of the premises. Sub-lessee assumes no liability for any loss caused by the sole negligence of Sub-lessor.
19. Lack of Funding – If, during the term of this lease, Stanislaus County in its sole discretion, determines that sufficient funds are not available to allow for continuation of the underlying lease, or, current County owned space becomes available, County may terminate the underlying lease upon one hundred twenty (120) days of written notice to Lessor without further obligation to Lessor. If that were to occur, County, as sublessor will give reasonable notification to sub-lessee.
20. CAL/OSHA Inspections – If the premises, as described in Section 1, is cited by CAL/OSHA, Lessor shall be required to abate said citations. Provided, however, that Lessor may terminate the lease with sublessor, should it decide that abatement costs, do not merit the continuance of that lease. Sublessee shall be given notice by Sublessor if and when sublessor receives notice from Lessor.
21. Surrender – Sub-lessee shall surrender the premises to Sub-lessor at the expiration of this lease in as good a condition as at the commencement of it, excepting reasonable wear and tear, damages and destruction by the elements, or other persons.
22. Purpose – This property is being subleased by Telecare Corporation for operation of East Modesto Regional Services and Telecare Recovery Access Center/Westside Homeless Outreach Program. The Telecare programs will be co-located with County operated West Modesto Regional Services; Wellness Recovery Center; Psychiatric Liaison Clinic; Integrated Forensics Team; Volunteer operated National Alliance for the Mentally Ill and Mental Health Consumer Network. The purpose of the co-location of programs with other County operated and volunteer operated agencies is to provide support services between various Adult System of Care programs in an effort to develop a one-stop full service location for adults with serious and persistent mental illnesses and/or alcohol and other drug abuse/addiction.

IN WITNESS WHEREOF Sub-lessee has executed this lease and Sub-lessor, County of Stanislaus, by order of the Board of Supervisors, has caused this lease to be executed on its behalf by the County Purchasing Agent on the day, month and year above written.

SUBLESSOR

**COUNTY OF STANISLAUS
BEHAVIORAL HEALTH & RECOVERY
SERVICES**

By:




Denise C. Hunt, RN, MFT
Behavioral Health Director

SUBLESEE

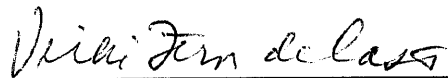
TELECARE CORPORATION

By:



Ross Peterson,
Vice President

APPROVED AS TO FORM
Michael H. Krausnick, County Counsel



Vicki Fern de Castro
Deputy County Counsel

Approved per BOS Item #2008-035,
dated January 15, 2008