



# County of El Dorado

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## Legislation Text

File #: 07-1372, Version: 2

Health and Human Services Agency, Mental Health Division, recommending the Board authorize month-to-month occupancy of leased office space located at 670 Placerville Drive in Placerville effective November 1, 2012 and continued payment in the amount of \$24,727.19 per month in accordance with section 27 of Lease Agreement 055-L0811 with Golden Plaza I, LLC.

**FUNDING:** Medi-Cal clinical funding, EPSDT reimbursements, Utilization Review funding, MHSA administration and clinical services allocations, Medi-Cal administrative reimbursements and realignment/fund balance dollars.

BUDGET SUMMARY:		
Total Estimated Cost		\$296,726.28
Funding		
Budgeted	\$296,726.28	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$296,726.28	
Change To Net County Cost		\$NA

### Fiscal Impact/Change to Net County Cost:

No change. Monthly rental expenses are paid by a combination of Medi-Cal clinical funding, Early and Periodic Screening, Diagnosis and Treatment (EPSDT) reimbursements, Utilization Review funding, Mental Health Services Act (MHSA) administration and clinical services allocations, Medi-Cal administrative reimbursements and realignment. Funding for continued occupancy of leased space at 670 Placerville Drive is included in the Agency's Fiscal Year 2012/13 Budget.

### Background:

On September 11, 2007, the Board authorized the Chair to sign Lease Agreement 055-L0811 with Golden Plaza I, LLC for occupancy of 14,001 square feet of improved office space located at 670 Placerville Drive in Placerville by the Mental Health Department effective November 1, 2007 through October 31, 2012. Mental Health has housed program staff and provided West Slope clinical outpatient services at this location since that date.

Section 27 of the Lease states "Any holding over after the expiration of this Lease shall be construed as a month-to-month tenancy at the monthly rental amount then in effect. In the even the Lessor wishes to terminate said month to month tenancy, Lessor shall provide Lessee written notice at least ninety (90) days prior to said termination.

**Reason for Recommendation:**

The Health and Human Services Agency (HHSA) is currently exploring options including the continued tenancy of this facility as well as the possibility of relocating to another building. Instead of renewing the lease HHSA is recommending occupancy continue on a month-to-month basis at the current rate of \$24,727.19/month in accordance with Section 27-Hold Over of Lease Agreement 055-L0811. The month-to-month tenancy will continue until a viable option is identified.

**Action to be taken following Board approval:**

- 1) HHSA to continue tenancy on a month-to-month basis while exploring facility options to meet Agency and program needs.
- 2) Auditor/Controller's Office to continue processing monthly rental payments for leased office space at 670 Placerville Drive.

**Contact:**

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**Concurrences:**

Russ Fackrell, Facilities Manager  
County Counsel