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

DEPT:	Behavioral Health And Recovery Services	BOARD AGENDA #: *B-3
		AGENDA DATE: June 7, 2016
SUBJEC	CT:	
Investme	I to Enter into a One-Year Lease Agreement ents, LLC and 4701 Stoddard, LLC for Office n a Crisis Intervention Program for Children a	Space at 1444 Florida Ave, in Modesto to
BOABB		
BOARD	ACTION AS FOLLOWS:	No. 2016-275
	,	2010-275
On motion	on of Supervisor <u>Chiesa</u> , Se	conded by Supervisor <u>Withrow</u>
On motion	on of Supervisor Chiesa , Se roved by the following vote, upervisors: O'Brien, Chiesa, Withrow, DeMartini, and	conded by Supervisor _Withrow
On motion and appropriate Ayes: Suran Noes: Suran Ayes: Suran Ayes	on of Supervisor Chiesa , Se roved by the following vote, upervisors: O'Brien, Chiesa, Withrow, DeMartini, and upervisors: None	conded by Supervisor _WithrowChairman Monteith
On motion and appropriate Ayes: Suran Noes: Suran Excused	on of Supervisor Chiesa , Se roved by the following vote, upervisors: O'Brien, Chiesa, Withrow, DeMartini, and upervisors: None or Absent: Supervisors: None	Chairman Monteith
On motion and appropriet Ayes: Suran Noes: Suran Excused Abstaini	on of Supervisor <u>Chiesa</u> , Se roved by the following vote, upervisors: O'Brien, Chiesa, Withrow, DeMartini, and upervisors: <u>None</u> or Absent: Supervisors: <u>None</u> ng: Supervisor: <u>None</u>	Chairman Monteith
On motic and appr Ayes: Su Noes: Su Excused Abstaini	on of Supervisor Chiesa , Se roved by the following vote, upervisors: O'Brien, Chiesa, Withrow, DeMartini, and upervisors: None or Absent: Supervisors: None	Chairman Monteith
On motic and appr Ayes: St Noes: St Excused Abstaini 1) X	on of Supervisor Chiesa , Se roved by the following vote, upervisors: O'Brien, Chiesa, Withrow, DeMartini, and upervisors: None or Absent: Supervisors: None ng: Supervisor: None Approved as recommended	Chairman Monteith
On motion and appropriate Ayes: Su Excused Abstaining 1) X 2)	on of Supervisor Chiesa , Se roved by the following vote, upervisors: O'Brien, Chiesa, Withrow, DeMartini, and upervisors: None or Absent: Supervisors: None ng: Supervisor: None Approved as recommended Denied	Chairman Monteith

ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS **AGENDA ITEM**

112

DEPT: Behavioral Health And Recovery Services

Urgent O Routine © BOARD AGENDA #: *B-3

AGENDA DATE: June 7, 2016

CEO CONCURRENCE: pht

4/5 Vote Required: Yes O

No 🗣

SUBJECT:

Approval to Enter into a One-Year Lease Agreement With 1444 Florida Avenue, LLC, Triple L Investments, LLC and 4701 Stoddard, LLC for Office Space at 1444 Florida Ave. in Modesto to Establish a Crisis Intervention Program for Children and Youth

STAFF RECOMMENDATIONS:

- 1. Authorize the Chief Operations Officer, on behalf of Behavioral Health and Recovery Services, to sign a one-year lease agreement with 1444 Florida Avenue, LLC, Triple L Investments, LLC and 4701 Stoddard, LLC for office space at 1444 Florida Ave. in Modesto for Crisis Intervention Services for children and youth effective upon date of signing.
- 2. Authorize the formal establishment of a Crisis Intervention Program for children and youth located at 1444 Florida Avenue, as recommended on December 15, 2015 as part of the Fiscal Year 2015-2016 Mental Health Services Act Plan Update.

DISCUSSION:

On December 15, 2015, the Board of Supervisors approved a one-year pilot for a Crisis Intervention Program (CIP) that would increase the quality of mental health services for children and youth, ages 6 - 17. Implementation of this CIP will introduce a critical level of care not currently available in our County. In fact, this level is not available in many counties. This CIP will be similar to the adult CIP, which the Board of Supervisors approved on September 17, 2013. This county-operated adult CIP has been shown to reduce the need for psychiatric inpatient services by allowing additional time in a quiet environment to stabilize an acute crisis. The CIP for children and youth would function in a similar fashion. It will have a capacity for four individuals to be treated at one time.

Currently, children and youth may wait for hours and sometimes days in an Emergency Department of an acute general hospital due to a statewide shortage of psychiatric inpatient beds for minors. In addition, most of these beds are quite distant from our County, and, consequently, families and other supports are not available to the hospitalized minors. The potential trauma associated with both of these issues can further worsen an individual's mental health crisis and lead to ongoing, severe emotional disorders, even post-hospitalization. While minors who are the County's responsibility will have priority for admission to the CIP, it will be available to all minors regardless of insurance coverage, as available. Mental Health Service Act (MHSA) funds can be used to treat underserved individuals, who do not have this benefit included in their insurance coverage. This CIP has the potential to also improve the future wellbeing of minors in that they may not have to experience the trauma of separation from family and also not be exposed to events that worsen their condition. They can be referred to ongoing

Approval to Enter into a One-Year Lease Agreement With 1444 Florida Avenue, LLC, Triple L Investments, LLC and 4701 Stoddard, LLC for Office Space at 1444 Florida Ave, in Modesto to Establish a Crisis Intervention Program for Children and Youth

treatment, if necessary, to continue to develop resiliency and better strategies to deal with the issues that led to the mental health crisis.

It is projected that 80 to 100 children will be served through this program during the one-year pilot. The CIP is a pre-hospitalization strategy that is focused on keeping minors out of a psychiatric hospital. The goals are to improve the well-being of children, increase family engagement, and provide vital family support for children and youth in Stanislaus County in crisis. Potentially, this program could be self-sustaining if a significant number of minors are diverted from hospitalization.

A location for the CIP has been identified directly across the street from Doctors Medical Center (DMC) at 1444 Florida Avenue. By locating the CIP adjacent to the DMC Emergency Department, youth and their families are able to easily access the CIP services in an effort to stabilize them and provide professional as well as peer support. A meeting between BHRS Executive Staff and DMC Executive staff was held on December 22, 2015, to explain the proposed program. At the conclusion of the meeting, DMC representatives were very supportive of the proposal.

POLICY ISSUE:

As noted above, a CIP for children and youth was approved by the Board of Supervisors in December 2015. Having a CIP will allow children and youth in crisis and their families to have the time to resolve the issues that led to the crisis in a calm environment. Appropriate arrangements can be made for additional services to prevent future crises.

FISCAL IMPACT:

BHRS is requesting to enter into a one-year lease occupying 2153 square feet of medical office space at a rate of \$1.85 per square foot. The cost of the lease for one year will be \$47,797. In addition, the landlord will bill BHRS for janitorial services at a rate of \$865 per month for a total of \$10,380 for the one year. These costs will be funded with existing Mental Health Services Act funds and Federal Financial Participation revenue, and was included in the Fiscal Year 2015-2016 Final Adopted Budget. There is no impact to the County General Fund. Depending on the number of adolescents diverted from acute psychiatric hospitalization, the estimated net expense to BHRS could range from \$199,517 if 20% of the youth currently being hospitalized are diverted to \$812 if 50% are diverted.

The total estimated cost of the one-year pilot is \$647,788 and includes the lease costs described above, janitorial services, contract providers for treatment and security services, utilities, operating costs such as phones, and startup costs.

Approval to Enter into a One-Year Lease Agreement With 1444 Florida Avenue, LLC, Triple L Investments, LLC and 4701 Stoddard, LLC for Office Space at 1444 Florida Ave, in Modesto to Establish a Crisis Intervention Program for Children and Youth

Cost of recommended action:

Source(s) of Funding:

Mental Health Services Act
Federal Financial Participation

Funding Total:

Net Cost to County General Fund

\$ 647,788

Fiscal Year:

Budget Adjustment/Appropriations needed:

2015/2016 **No**

Fund Balance as of 3/31/2016

\$24,181,715

BOARD OF SUPERVISORS' PRIORITY:

This agenda item supports the Board of Supervisors' priorities of a healthy community and efficient delivery of public services.

STAFFING IMPACT:

Existing staff will provide contract oversight and monitoring.

CONTACT PERSON:

Madelyn Schlaepfer, PhD, Behavioral Health Director Telephone: (209) 525-6205

ATTACHMENT(S):

1. Lease Agreement

Attachment 1

LEASE AGREEMENT

LEASE SUMMARY:

Lease date: June 1, 2016

Landlord: Tenant:

1444 Florida Avenue, LLC (50%) Stanislaus County Triple L Investments, LLC (45%)

4701 Stoddard LLC (5%)

Address of Landlord: Address of Tenant:

c/o Centerra Capital 1010 10th Street, Suite 5400 P.O. Box 3324 Modesto, CA 95354

Modesto, CA 95353

Premises Address: 1444 Florida Avenue, Suite 201, Modesto, CA (APN: 119-006-040)

Premises Square Footage: 1,785 sq. ft. plus approx. 368 sq. ft. Common Area (2,153 sq ft total)

Term: Twelve (12) months

Termination date: May 31, 2017 Permitted Use: Client counseling

AGREEMENT:

This Lease Agreement (the "Lease Agreement") is entered into in the City of Modesto, State of California, on June 1, 2016, between the **COUNTY OF STANISLAUS**, a political subdivision of the State of California, ("Tenant"), and **1444 FLORIDA AVENUE**, **LLC**, **TRIPLE L INVESTMENTS**, **LLC and 4701 STODDARD LLC** (collectively, "Landlord"), in consideration of the premises, and the agreements, terms and conditions set forth, below.

- 1. <u>Premises:</u> Landlord leases to Tenant, and Tenant hires from Landlord, a portion of those certain premises in the County of Stanislaus, more particularly described as 1444 Florida Avenue, Suite 201, Modesto, California.
- 2. <u>Payment</u>: Tenant agrees to pay to Landlord for the Premises above-described, during the term designated below, \$3,302.25 (1,785 sq. ft. @ \$1.85/sq. ft.) per month for rent plus \$680.80 (368 sq. ft. @ 1.85/sq. ft.) per month for use of the Common Area, plus \$865.00 per month for janitorial services in the Premises, for a total of \$4,848.05 per month payable on the first day of the month following the month for which the obligation accrues.
- 3. <u>Term</u>: The term of this Lease Agreement shall be for a period of twelve (12) months commencing at 12:01 A.M. on June 1, 2016, and terminating at 11:59 P.M. on May 31, 2017.
- 4. Option to Renew: This section has been intentionally omitted.
- 5. Utilities:
 - 5.1 Tenant shall pay for the furnishing of water, sewer, garbage, gas, and electric which may be used in or upon the Premises during the term of this Lease Agreement, or any extension or holdover period.
- 6. <u>Use of the Premises</u>: Tenant may use the Premises for the purpose of client counseling. Tenant shall not use or permit the Premises to be used for any other purpose or purposes

without first obtaining the written consent of Landlord, which consent shall not be withheld unreasonably.

Tenant shall not permit any activity or conduct by its employees, clients or guests, in, on or about the Premises that unreasonably obstructs or interferes with the rights or operations of other tenants or occupants in the Building. Further, Tenant shall not use or allow the Premises to be used in any way which would cause, maintain or permit any nuisance in, on or about the Premises. If, in the reasonable discretion of Landlord, Tenant violates this use restriction, Landlord shall advise the County immediately. If no reasonable resolution or accommodation can be reached, the parties agree that the Landlord will allow the Tenant to relocate to comparable premises owned by Landlord at 1524 McHenry Avenue in Modesto and the parties shall execute a lease with the same lease rate and terms as set forth in this Lease Agreement, after serving due notice of Landlord's intention to require such relocation. At a minimum, a 30-day notice period shall be provided to allow for the orderly relocation should that be required.

7. Maintenance:

- 7.1. Landlord Representations: Landlord represents to Tenant that (i) the Premises, the Building and all Common Areas (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including the Americans With Disabilities Act: and are in reasonable good working order and condition: (ii) the Building and Premises comply with all covenants. conditions, restrictions and underwriter's requirements; and (iii) the Premises, Building and Common Areas are free of the presence of any Hazardous Materials (as hereinafter defined) and (iv) Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.
- 7.2. Landlord Obligations: Landlord shall, at Landlord's own expense, keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed: (1) the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intrabuilding network cable and pest control service; (2) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building; (3) the Common Areas: (4) exterior windows of the Building; and (5) elevators serving the Building. Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to: (1) the floor covering (if such floor covering is carpeting it shall be replaced as needed but not less often than after five (5) years of use); (2) interior partitions; (3) doors; (4) the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years and (5) signage.
 - 7.2.1 <u>Landlord to provide HVAC</u>: Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours established by the Lease Agreement and within tolerances

(BHRS) Lease # 30556 normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

- 7.2.2. Excluding normal wear and tear, and, excluding heating and cooling equipment, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by Tenant, which consent shall not be unreasonably withheld or delayed, (b) be at least equal in quality, value and utility to the original work or installation, (c) be in accordance with all laws.
- 7.3. Entry: Tenant shall permit Landlord, or an authorized agent of landlord, free access to the Premises at all reasonable times for the purpose of inspection or for making necessary improvements or repairs. Additionally, Tenant shall permit Landlord, or an authorized agent of the Landlord, access to the Premises at all reasonable times with prior notice for the purpose of showing the facility to prospective renters, with the exception of rooms occupied by Tenant's clients receiving treatment services.
- 7.4. Tenant's Right to Repair: If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to or of any portion of the Building structure and/or the Building systems and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant, at its sole option, may either proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities) or may surrender the Premises and shall not be liable for any further lease payments under this Lease Agreement. Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease Agreement to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action. If not reimbursed by Landlord within ten (10) days, Tenant shall be entitled to deduct from Basic Rent payable by Tenant under this Lease Agreement the amount set forth in its invoice for such work.
- 8. <u>Asbestos Notification</u>: In September, 1989, the Governor of California signed AB-1564, an Asbestos Notification law, codified in Section 25915 et seq. of the Health and Safety Code. Health and Safety Code Section 25915(a) states.

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Lease # 30556

Notwithstanding any other provisions of the law, the owner of any building constructed prior to 1979, who knows that the building contains asbestoscontaining construction materials, shall provide notice to all employees of that owner working within the building.

Should the Landlord know of any asbestos-containing material, Landlord will notify Tenant within ten (10) days.

If Tenant suspects or has reason to believe that the Premises contains asbestos-containing material, Landlord shall within ten (10) days of Tenant's request supply Tenant with an Asbestos Survey Report done by a qualified hazardous material specialist. If Landlord fails to have requested testing done, Tenant shall have the required testing done and all related cost shall be deducted from the lease payment. If test is positive and abatement is necessary, Landlord shall provide the Tenant an Asbestos Abatement Plan within thirty (30) days.

- 9. <u>Building Ventilation</u>: Premises shall comply with Title 8, Section 5142, California Code of Regulations, "Mechanically Driven Heating, Ventilating and Air Conditioning (HVAC) Systems" to provide minimum building ventilation. Provided, however, that Landlord may terminate this Lease Agreement should it decide that repair expenses, do not merit the continuance of this Lease Agreement. Tenant shall be given notice by Landlord of said decision and notice shall provide Tenant adequate time to make other arrangements.
- 10. <u>CAL/OSHA Inspections</u>: If the Premises is cited by CAL/OSHA, Landlord shall be required to abate said citations. Provided, however, that Landlord may terminate this Lease Agreement should it decide that abatement cost, do not merit the continuance of this Lease Agreement. Tenant shall be given notice by Landlord of said decision and notice shall provide Tenant adequate time to make other arrangements.
- 11. Intentionally Omitted
- 12. XX CHECK IF APPLICABLE Confidentiality of Protected Health Information: For purposes of this section this Agreement, "protected health information" or "PHI" shall have the meaning defined by the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Subparts A and E of Part 164 (the "Privacy Standards") as promulgated by the Department of Health and Human Services ("HHS") pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), any applicable amendments pursuant to the Health Information Technology for Economic and Clinical Health (HITECH) Act, (Pub. L No. 111-5), and California Tenant agrees to reasonably safeguard PHI from any intentional or unintentional disclosure in violation of the Privacy Standards by implementing appropriate administrative, technical, and physical safeguards to protect the privacy of PHI. Tenant further agrees to implement appropriate administrative, technical and physical safeguards to limit incidental disclosures of PHI, including disclosures to Landlord, its contractors, subcontractors and agents.

The parties agree that neither the Landlord, its contractors, subcontractors or agents shall need access to, nor shall they use or disclose, any PHI of Tenant. In the event, however, PHI is disclosed by Tenant or its agents to Landlord, its contractors, subcontractors or agents, regardless as to whether the disclosure is inadvertent or otherwise, Landlord agrees to take reasonable steps to maintain – and to require its contractors, subcontractors and agents to maintain – the privacy and confidentiality of such PHI. Landlord agrees to promptly notify Tenant upon learning of any disclosure of PHI to Landlord or Landlord's contractors, subcontractors and agents.

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(BHRS)

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The parties agree that the foregoing does not create, and is not intended to create, a "business associate" relationship between the parties as that term is defined by the Privacy Standards.

Landlord has read and understands specifically those terms contained in paragraph number 12 listed directly above.

Landlord's Initials

Landlord's Initials

Landlord's Initials

13. <u>Holding Over</u>: In case Tenant holds over beyond the end of the term of this Lease Agreement, with the consent expressed or implied of Landlord, such tenancy shall be from month to month only, subject to the terms and conditions of this Lease Agreement, but shall not be deemed to be a renewal. The rent to be paid in a hold over situation shall be at the rate provided in the terms of this Lease Agreement.

14. Janitorial Services:

- 14.1 <u>Routine Janitorial Services.</u> Landlord shall furnish routine janitorial service on the Premises. Tenant shall pay Landlord a fixed fee of \$865.00 per month as a reimbursement for the routine janitorial services. The routine services included in this fixed fee are emptying trash, vacuuming floors and cleaning bathrooms seven (7) days a week and dusting once a week.
- 14.2 <u>Additional Janitorial Services.</u> As necessary, the Tenant may request the Landlord to provide additional janitorial services outside of the routine services described above. Additionally, paper products, soap, etc., are not included in the fixed routine janitorial fee. Upon completion of the additional janitorial service or receipt of paper products, soap, etc., Landlord shall submit a detailed invoice to the Tenant at the below address for payment against this Lease:

Invoice To Address: Stanislaus County

Behavioral Health & Recovery Services (BHRS)

800 Scenic Drive Modesto, CA 95350

- 15. <u>Alterations</u>: The parties agree not to make any alterations in or on the Premises without first securing the written consent of the other party, and further agree to make such alterations only at such time that is agreeable to the other party.
- 16. <u>Notices</u>: Notices desired or required to be given by this Lease Agreement or by any law now in effect, or later enacted, may be given by enclosing the Notice in a sealed envelope addressed to the party for whom intended and by depositing such envelope, with postage prepaid, in United State mail. The envelope containing the Notice shall be addressed to Landlord as follows:

c/o Centerra Capital P.O. Box 3324 Modesto, CA 95353

or other place as may be designated in writing by Landlord and the envelopes containing the Notices to the Tenant shall be addressed as follows:

Stanislaus County Purchasing Agent

(BHRS) Lease # 30556

1010 10th Street Place Suite #5400 Modesto, CA 95354

- 17. Loss: Landlord agrees 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 Tenant's occupancy, then this Lease Agreement shall be terminated immediately upon the happening of any such event whereupon Tenant shall surrender the Premises and shall not be liable for any further payments. In the event of any lesser damage by any such cause, Landlord shall restore the Premises to the condition it was in immediately prior to the event causing the damage, and the lease payment shall abate in proportion to the area not used by Tenant during the period of restoration. If Landlord should fail to pursue restoration work with reasonable diligence to completion, Tenant, at its sole option may surrender the Premises and shall not be liable for any further lease payments under this Lease Agreement.
- 18. <u>Successors</u>: Each and all of the terms and agreements contained in this Lease Agreement shall be binding upon and shall inure to the benefit of the successors in interest of Landlord, and wherever the context permits or requires, the successors in interest to Tenant.
- 19. <u>Trade Fixtures</u>: Tenant shall install such fixtures, equipment, and personal property as may be necessary and convenient for its operation. Such furniture, equipment, and personal property may be removed at any time during Tenant'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, Tenant shall repair such damage at its own expense.
- 20. <u>Fire and Other Perils Insurance</u>: 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.
- 21. <u>Waiver of Rights of Subrogation</u>: Landlord and Tenant agree that in the event of loss due to any of the perils for which they have agreed to provide insurance, each party shall look solely to its insurance for recovery. Landlord and Tenant 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.
- 22. <u>Liability Insurance</u>: Tenant agrees to hold Landlord harmless from loss occurring on the Premises and arising out of Tenant's occupancy of the Premises. Tenant assumes no liability for any loss caused by the sole negligence of Landlord.
- 23. <u>Lack of Funding</u>: If, during the term of this Lease Agreement, Tenant, Stanislaus County, in its sole discretion, determines that sufficient funds are not available to allow for continuation of this Lease Agreement or current County owned space becomes available, Tenant may terminate this Lease Agreement upon ninety (90) days written notice to Landlord without further obligation to Landlord.

Landlord has read and understands specifically those terms contained in paragraph 23 listed directly above.

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Landlord's Initials	Landlord's Initials	Landlord's Initials

24. <u>Surrender</u>: Tenant shall surrender the Premises to Landlord at the expiration of this Lease Agreement 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.

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Rev. 6/2016 JPD Lease # 30556

25. Subordination and Mortgages:

- 25.1. <u>Subordination and Non-Disturbance</u>. Tenant agrees, at Landlord's option, to subordinate this Lease Agreement to the lien of any mortgages or deeds of trust now or hereafter in force against the building; provided, however, Tenant's obligation to subordinate this Lease Agreement is expressly conditioned upon Tenant receiving a written agreement in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement and provided further that no such subordination shall affect any option to extend the Term of this Lease Agreement, right of first offer to lease additional Premises, option to purchase or right of first offer to purchase the property which may be included in this Lease Agreement.
- 25.2 <u>Existing Deeds of Trust</u>. The beneficiary under any existing deed of trust affecting the building shall provide a written agreement to tenant in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement within thirty (30) days after the execution of this Lease Agreement.
- 25.3 Request for Notice. Landlord acknowledges that Tenant intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the property in the form of Document II in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement.
- 25.4 <u>Notice of Default.</u> If any mortgagee or beneficiary under a deed of trust affecting the property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any notice of default served upon Landlord which could permit Tenant to terminate this Lease Agreement and an additional ten (10) days within which to cure such default.
- 26. <u>Estoppel Certificate</u>: Tenant shall, within thirty (30) days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document III in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.
- 27. Entire Agreement: This Lease Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Lease Agreement shall be valid or binding.
- 28. <u>Duplicate Counterparts</u>: This Lease Agreement may be executed in duplicate counterparts, each of which shall be deemed a duplicate original.

(Signatures on the next page)

Lease template (Tenant)

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(BHRS)

Lease # 30556

IN WITNESS WHEREOF Landlord has executed this Lease Agreement and Tenant, County of Stanislaus, by order of the Board of Supervisors, has caused this Lease Agreement to be executed on its behalf by the County Purchasing Agent on the day, month and year above written.

IENANI	LANDLORD
COUNTY OF STANISLAUS	1444 FLORIDA AVENUE, LLC (50%)
By: Pully	
Patricia Hill Thomas, Chief Operations Officer/	By: Will starten
Assistant Executive Officer	Name: William R. Jackson
	Title: Manager
APPROVED: BOS Agenda # 2016-275	•
DATED: June 7, 2016	
	LANDLORD
APPROVED AS TO CONTENT:	TRIPLE Ļ INVES/TMENTS, LLC (45%)
Stanislaus County	
Behavioral Health & Recovery Services	By: William
γ	Name: William R. Jackson
By: / Nadelan Schlange for 15	Title: Manager
Madelyn Schlaepfer, Director/	•
V	
	LANDLORD
APPROVED AS TO FORM	4701 STODDARD, LLC (5%)
11 11	
By: Warre Wartley	By: and of frage
Foc: John P. Doering, County Counsel	Name: Paul B. Draper ()
<u> </u>	Title: Manager

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SUPPLEMENTAL LEASE DOCUMENTS

For

STANISLAUS COUNTY GENERAL SERVICES AGENCY – PURCHASING DIVISION LEASE AND AGREEMENT

DEPARTMENT: Behavioral Health & Recovery Services (BHRS)

LANDLORD: 1444 Florida Avenue, LLC (50%), Triple L Investments, LLC (45%), 4701 Stoddard LLC (5%)

PROPERTY: 1444 Florida Avenue, Suite 201, Modesto, CA

Document I - Subordination, Nondisturbance and Attornment Agreement (This is applicable only when a mortgage is on the property, at which time form must be completed signed and notarized).

Document II – Request for Notice (This is applicable only when a mortgage is on the property, at which time form must be completed signed and notarized).

Document III – Tenant Estoppel Agreement

Document IV - Memorandum of Lease

DOCUMENT I

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

AND WHEN RECORDED N	MAIL TO:
Stanislaus County Attn: Purchasing Agent 1010 10 th Street, Suite 5400 Modesto, CA 95354)))) Space above for Recorder's Use
	ORDINATION, NONDISTURBANCE ND ATTORNMENT AGREEMENT
NOTICE: THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.	
entered into as of the 7th day body politic and corporate ("Te	ondisturbance and Attornment Agreement ("Agreement") is of June, 2016, by and among Stanislaus County, a enant"),, (individually and [Insert name of Lender], ("Lender").
Factual Background	
	s certain real property more particularly described in the attached y" herein means that real property together with all improvements on it.
	de or agreed to make a loan to Borrower. The Loan is or will be nortgage encumbering the Property (the "Deed of Trust").
, 201_, (the	Borrower (as "Landlord") entered into a lease dated as of "Lease") under which Borrower leased to Tenant a portion of the the Property and more particularly described in the Lease (the
Lease to the lien of the Deed of Agreement. Tenant is willi	ng to agree to subordinate certain of Tenant's rights under the of Trust and to attorn to Lender on the terms and conditions of this ing to agree to such subordination and attornment and other ler agrees to a nondisturbance provision, all as set forth more fully

below.

Agreement

Therefore, the parties agree as follows:

- 1. <u>Subordination</u>. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination..
- 2. <u>Definitions of "Transfer of the Property" and "Purchaser"</u>. As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.
- 3. <u>Nondisturbance</u>. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.
- 4. <u>Attornment</u>. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.
- 5. <u>Lender Not Obligated</u>. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not (a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease including Borrower; or (b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease; or (c) be bound by any prepayment by Tenant of more than one month's installment of rent; or (d) be obligated for any security deposit not actually delivered to Purchaser; or (e) be bound by any modification or amendment of or to the Lease unless the amendment or modification shall have been approved in writing by the Lender.
- 6. <u>Notices</u>. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender:	
To Borrower:	
To Tenant:	Stanislaus County Attn: Purchasing Agent 1010 10 th Street, Suite 5400 Modesto, CA 95354
binding upon the parties and governed by the laws of the State.	S Provisions. This Agreement shall inure to the benefit of and be their respective successors and assigns. This Agreement is State of California without regard to the choice of law rules of that GNATURES MUST BE ACKNOWLEDGED)
(ALL SI	GNATORES MOST BE ACRIVOW ELDGED)
TENA	NT: STANISLAUS COUNTY, a body politic and corporate By: Keith D Boggs, Assistant Executive Officer GSA Director/Purchasing Agent
BORR	OWER:
	Name
LEND	ER: [Insert name of Lender],
	By: Name: Title:

DOCUMENT II

REQUEST FOR NOTICE

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Stanislaus County Attn: Purchasing Agent 1010 10th Street Modesto, California 95354

REQUEST FOR NOTICE

(UNDER SECTION 2924B CIVIL CODE)

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust described below:

Date of Recording	ng of Deed of Trust
Instrument Num	ber of Deed of Trust
Trustor	
Trustee	
Beneficiary	
be mailed to Stanislaus California 95354.	County, Attn: Purchasing Agent, 1010 10 th Street, Suite 5400, Modesto
LENDER:	
By:	
Name:	
Title: (AI	LL SIGNATURES MUST BE ACKNOWLEDGED)

COUNTY OF Stanislaus ss.
On this 8th day of June, 2016 before me, Jami Wright a Notary Public in and for the State of California, personally appeared Keith Bogs
personally known to me (or proved on the basis of satisfactor
evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies).
and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
WITNESS my hand and official seal WITNESS my hand and official seal Notary Public · California
Signature Signature Signature Stanislaus County
My commission expires 11-15-17.

DOCUMENT III

TENANT ESTOPPEL CERTIFICATE

To: Stanislaus County

1010 10th Street, Suite 5400

Modesto, CA 95354

Attn: Purchasing Agent

Re: Date of Certificate:

Lease Dated: June 1, 2016

Current Landlord: 1444 Florida Avenue, LLC (50%),

Triple L Investments, LLC (45%),

4701 Stoddard LLC (5%)

Located at: 1444 Florida Avenue, Suite 201, Modesto, CA

Lease Commencement Date: June 1, 2016

Expiration Date: May 31, 2017

Current Rent: Premises \$3,302.25(1,785 sq. ft. @ \$1.85/sq. ft.)

Common Area \$680.80 (368 sq. ft. @ \$1.85/sq. ft.)

Stanislaus County ("Tenant") hereby certifies that as of the date hereof:

- 1. Tenant is the present owner and holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.
- 2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.
 - (b) The current Rent is set forth above.
- (c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.
- (d) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

- (e) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.
- 3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.
- (b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.
- (c) The interest of Tenant in the Lease has not been assigned or encumbered. Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease except as set forth in the Lease. No rental payments have been made more than one month in advance.
- 4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full and all of Landlord's obligations with respect to tenant improvements have been fully performed.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

STANISLAUS COUN

By: __

Keith D. Boggs, Assistant Executive Officer,

GSA Director/Purchasing Agent

DOCUMENT IV MEMORANDUM OF LEASE

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Stanislaus County Purchasing Agent 1010 10th Street, Suite 5400 Modesto, CA 95354

This document is recorded for the benefit of Stanislaus County and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between 1444 FLORIDA AVENUE, LLC, TRIPLE L INVESTMENTS, LLC and 4701 STODDARD LLC (individually and collectively, the "Landlord"), and STANISLAUS COUNTY, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant") who agree as follows:

Landlord and Tenant hereby enter a Lease (the "Lease") of certain property in the County of Stanislaus, State of California known as 1444 Florida Avenue, Modesto, California and more fully described on Exhibit A attached hereto, for a term commencing on June 1, 2016, and ending on a date May 31, 2017, one (1) year after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in a certain unrecorded Lease between Landlord and Tenant dated as of June 1, 2016.

Tenant has no option to extend the term of the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated:	, 201	6.

[SIGNATURES SET FORTH ON NEXT PAGE

ALL SIGNATURES MUST BE ACKNOWLEDGED]

LANDLORD:	TENANT: STANISLAUS COUNTY
1444 FLORIDA AVENUE, LLC By: William R. Jackson, Manager TRIPLE LINNESTMENTS, LLC By: William R. Jackson, Manager 4761 STODDARD, LLC By: Paul B. Draper, Manager All signatures must be acknowledged.	By: Keith D. Boggs, Assistant Executive Officer, GSA Director/Purchasing Agent
A notary public or other officer completing the individual who signed the document to which truthfulness, accuracy, or validity of that document of California	this certificate is attached, and not the
satisfactory evidence to be the person whose	fore me, Kimberly O Hutchins Notary JACKSON who proved to me on the basis of name is subscribed to the within instrument and me in his capacity and that by his signature on the
	which the person acted, executed the instrument. under the laws of the State of California that the
WITNESS my hand and official seal. **Muluely Described Structure** Notary's Signature My commission expires 2/4/19	KIMBERLY D. HUTCHINS Commission & 2096921 Notary Public - California Stanislaus County My Comm. Expires Feb 4, 2019

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
State of California }
On this <u>(a)</u> day of <u>Jine</u> , 2016, before me, <u>kimberly D. Hutchine</u> , Notary Public, personally appeared PAUL R. DRAPER who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument the person or entity upon behalf of which the person acted, executed the instrument.
I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal. **Commission expires** 2 4 1 5 7 With the seal of the
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
State of California } SS. County of Stanislaus } On this S day of, 2016, before me,, 2016, before me,

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

instrument the person or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary's Signature

My commission expires 11-15-17

	JAMI WRIGHT
	Comm. #2048915
4	Notary Public - California
	Stanislaus County
	Comm. Expires Nov 15, 2017