

County of Santa Clara General Services Agency

Facilities Department
Property Management Division



GSA01 062403

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DATE: June 24, 2003

TO: Board of Supervisors

FROM: *G.K. Carruth*
G. Kevin Carruth
Director, General Services Agency

SUBJECT: Starlight Adolescent Center, Inc.

First Amendment to Lease for

455 Silicon Valley Boulevard, San Jose

RECOMMENDED ACTION

Consider recommendations relating to Lease of County space to Starlight Adolescent Center, Inc.

Possible action:

- a. Approve First Amendment to Lease Agreement with Starlight Adolescent Center, Inc. for premises at 455 Silicon Valley Blvd., San Jose for a term through June 30, 2004, and
- b. Delegate authority to the Director of General Services Agency (GSA), or designee, to execute amendments to the Agreement, consistent with the term of any Contract for Services by the County of Santa Clara, following approval by County Counsel as to form and legality.

FISCAL IMPLICATIONS

As a result of this action, the General Fund will receive FY 2004 revenue of \$570,943.68. This amount is \$27,193.68 more revenue than is included in the FY 2004 Recommended Budget in BU 263, IC 2500, RSBJ 9767, Fund 0001 (GSA-Property Management). The revised figure will be included in the FY 2004 Final Budget.

The GSA-Property Management Division has concluded negotiations for the lease amendment at the annual rate of \$570,943.68 (\$47,578.64 per month; \$1.72 per square foot). Lessee may extend the term on an annual basis, but only if the County extends the contract for mental health services at this site. The rent increase will be based on the annual percentage increase in the Consumer Price Index (CPI), San Francisco-Oakland-San Jose, CA, All Urban Index, published in February of each year. Rent increase shall increase on July 1 of each extended term.

Starlight will also pay prorated utility charges based on the occupied square footage. The percentage as proposed is 55% of the facility. Utility charges will be billed and collected by GSA-Fiscal based on the actual utility charges.

CONTRACT HISTORY

The County entered into a Lease Agreement with Starlight Adolescent Center, Inc. on August 29, 2000, that expires on June 30, 2003.

REASONS FOR RECOMMENDATION

The service provided by the Starlight Adolescent Center continues to be a priority for the County. The continuation of the program is included in the FY 2004 Recommended Budget for SCVHHS Mental Health Department. On June 3, 2003, the Board of Supervisors delegated authority to the Director of Mental Health Department, to execute Agreements with Short/Doyle Medi-Cal contract agencies, including Starlight Adolescent Center, Inc.

The amendment provides for the Director of GSA to execute future amendments, which would extend the term consistent with that for future approved extensions of the Contract for Services. Rates would also be adjusted, if appropriate.

BACKGROUND

On May 9, 2000, the Board of Supervisors approved the purchase of the building at 455 Silicon Valley Blvd., San Jose. The new facility, The Behavioral Health Center for Youth, not only serves children and adolescents experiencing crisis and needing residential support, but also decreases service duplication and increases coordination of care. Services within the facility are provided directly by the County and also by contractual service providers.

On August 25, 2000, the initial service contract was executed with Starlight Adolescent Center, Inc. This has been renewed annually since that time.

The Starlight Center provides specific mental health programming within a Community Treatment Facility (CTF) as governed by Title 22, Division 6, Chapter 5, Group Homes, Articles 1 through 7, and Chapter 1, General Licensing Requirements. A CTF provides an alternative to out-of-state and state hospital placement for seriously emotionally disturbed youth and offers mental health services to children in a sub-acute, home-like setting that has the capacity to provide secure containment for a youth that meet specific admission criteria.

CONSEQUENCES OF NEGATIVE ACTION

There will be no lease agreement between the County and Starlight. The County will not receive the revenue of approximately \$570,944 in FY 2004. Starlight Adolescent Center, Inc., will be unable to operate the Community Treatment Facility.

STEPS FOLLOWING APPROVAL

The Clerk of the Board shall forward a conformed copy of the First Amendment to lease to Mary Jane Gross, President of Starlight Adolescent Center, Inc, 45 Arroyo Avenue, Piedmont, CA 94611.

ATTACHMENTS

- (Transmittal submitted on Jun 11, 2003 10:49:28 AM – PDF Version)
- First Amendment to Lease (Agreements and Amendments)
- Original Lease (Agreements and Amendments)