

MOTION BY SUPERVISOR HOLLY J. MITCHELL

February 15, 2022

Martin Luther King, Jr. Medical Center Behavioral Health Center – Real Estate Rights for Public Health Substance Use Disorder Treatment Provider and Mental Health Residential Treatment Program Providers

On October 31, 2017, the Los Angeles County (County) Board of Supervisors (Board) approved transforming the former Martin Luther King, Jr. General Hospital into a state of the art 505,000 square foot Behavioral Health Center (BHC), which would provide a continuum of care with integrated residential, outpatient, and supportive services for some of the County’s most vulnerable populations, including those struggling with mental illness and substance use disorders. Pursuant to a competitive bidding solicitation, the Department of Public Health (DPH) selected Healthright 360, Behavioral Health Services, Inc. and Tarzana Treatment Centers, Inc. (TTC) to be the service providers for the Ctaxounty-operated BHC. In December 2021, this Board authorized license agreements with Healthright 360 and Behavioral Health Services, Inc. so that these service providers have the necessary real estate rights to engage in the licensing and certification process required to provide the Substance Use Disorder Treatment services required under their service contracts within the grant-funded timelines. To close out occupancy of the BHC, TTC is in need of its license so that it can occupy its respective premises at the BHC pursuant to the terms and conditions set forth in its proposed license.

Similar to the license agreements with HealthRight 360 and Behavioral Health Services, the proposed license with TTC would have a five-year initial term with five, one-

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year renewal options for a total term, if all options are exercised, of ten years. The County would be able to terminate at will with a courtesy 30 days' notice. The proposed license would have gratis rent and the County would provide utilities and building maintenance, as this is a County operated facility and program. The proposed license is needed to allow TTC to use County property to provide substance use disorder services required under its service contract that would run concurrently with the term of the proposed license.

The Department of Mental Health (DMH) is conducting a competitive solicitation process for contracted service providers to be housed at the BHC to provide Mental Health Rehabilitation Center services and Psychiatric Health Facility services. These service providers will also need to use portions of the BHC to provide the stated services. On December 3, 2019, DMH was provided authority to select and enter into contracts with service providers to provide these services at the BHC. As the service providers have not been selected yet, it is recommended that this Board provide DMH with authority to include, as part of their Legal Entity Contracts, the necessary provisions for the selected providers to use specified portions of the BHC on a gratis basis to provide the contracted services.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Find that the proposed license agreement with Tarzana Treatment Centers, Inc. (TTC) and the recommended actions are categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the State CEQA Guidelines (Existing Facilities) and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines and none of the exceptions set forth in the State CEQA Guidelines Section 15300.2 apply. Upon approval by the Board of Supervisors of the recommended actions, the Chief Executive Officer (CEO) or her designee will file a Notice of Exemption with the County Clerk in accordance with Section 21152 of the California Public Resources Code.

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2. Authorize the CEO, or her designee, to negotiate and execute the proposed gratis license agreement with TTC, approved as to form by County Counsel, to occupy its respective premises at the Behavioral Health Center (BHC) pursuant to the terms and conditions set forth in the proposed license.
3. Authorize the CEO, or her designee, to negotiate, approve, and/or execute any ancillary documentation or amendments, approved as to form by County Counsel, which are necessary and appropriate to effectuate the proposed license.
4. Authorize the Director of the Department of Mental Health (DMH), or his designee, to include in the Legal Entity Contracts with the BHC providers to be selected by DMH from the competitive solicitation process, the necessary provisions for these selected providers to use portions of the BHC on a gratis basis to provide the stated services.
5. Instruct the Director of Department of Public Health (DPH) to work with the selected contractors within the BHC and the MLK Medical Campus providers (including the MLK Community Hospital, the Department of Health Services Outpatient Center and Exodus Recovery Services) to develop and implement a written plan within 30 days whereby MLK Campus providers have streamlined access to DPH's contracted BHC services.

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