

December 17, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LEASE OF PHINNEY HALL - LAC+USC MEDICAL CENTER, TO VIP COMMUNITY
MENTAL HEALTH CENTER (FIRST) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve a ten-year lease of Phinney Hall at 1721 Griffin Avenue, Los Angeles, to VIP Community Mental Health Center, Inc. (VIP CMHC) in return for the provision of case management/brokerage, mental health, crisis intervention and medication support services to children and their families that are victims of domestic violence and/or child abuse.
2. Find that the real property is not needed for County use during the term of the Lease.
3. Find that the Lease is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to consummate a ten-year lease of Phinney Hall, situated within the LAC+USC Medical Center located at 1721 Griffin Avenue, Los Angeles on a gratis basis to the VIP CMHC. The subject building contains 12,636 net usable square feet with off site parking. In consideration for this gratis lease, VIP CMHC shall provide mental health services pursuant to a service agreement approved by your Board on May 21, 2002. As additional consideration, VIP CMHC shall treat all indigent patients who present themselves at the facility in the same manner and on the same terms as such treatment is rendered to patients who pay or for whom reimbursement can be obtained.

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IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we increase public/private partnerships (Goal 4, Strategy 3). The leasing of County property to a nonprofit organization is consistent with that goal.

FISCAL IMPACT/FINANCING

The proposed lease is gratis. As additional consideration, VIP CMHC will assume responsibility for maintaining and repairing the premises and paying for all operating expenses including utility costs, janitorial services, security services, insurance and taxes, if any are imposed.

Upon prior approval of the County, VIP CMHC may install or construct any tenant improvements at its own expense as may be necessary to fit the premises for delivery of mental health services and related uses. VIP CMHC has estimated the tenant improvement costs to be \$2,000,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed ten-year gratis Lease of Phinney Hall to VIP CMHC, a non-profit, public benefit organization, is being made under the authority of California Government Code Section 26227. The Lease is renewable for an additional ten years based upon five two-year extensions. County Counsel has approved the proposed Lease Agreement as to form.

Both the County and VIP CMHC have the right to cancel this Lease upon 180 days prior written notice. In the event that the County cancels this Lease prior to the expiration of the term, the County shall reimburse VIP CMHC for the cost of tenant improvements equal to the depreciated value of the improvements paid for by VIP CMHC.

ENVIRONMENTAL DOCUMENTATION

The lease of this property is categorically exempt under State and County guidelines.

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IMPACT ON CURRENT SERVICES

The lease of Phinney Hall will enable VIP CMHC to provide mental health services to approximately 600 unduplicated children and families who have been victims of domestic violence and/or child abuse.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return one original and two copies of the adopted Lease and the adopted, stamped Board letter to the CAO Real Estate Division at 222 South Hill Street, 3rd Floor, Los Angeles, California 90012 for further processing.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:SNY
CWW:AA:pe

Attachment

c: County Counsel
Auditor-Controller
Department of Health Services
Department of Mental Health
Internal Services

PhinneyHall.b