



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



Date: December 23, 2013
Board Meeting Date: January 28, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager

Subject: Respite Center property acquisition process for the Health System,
Behavioral Health and Recovery Services

RECOMMENDATION:

Resolution authorizing the County Manager or his designee to identify and negotiate the terms of the purchase of real property to be acquired for use as a mental health respite center with a capacity to serve up to 10 adults at a time; and to report back to the Board for final approval of any such acquisition.

BACKGROUND:

Over the past year and a half the Health System has embarked on a series of discussions with stakeholders to respond to the plight of families struggling with a mentally ill relative in crisis. While there are resources for people in crisis, it can be very difficult for a family member to get their loved one into mental health treatment until and unless the relative so deteriorates that the police or an ambulance must be called.

On July 23, 2013, the Board received and approved a request from the Health System for Measure A funding to implement several recommendations identified through the discussions. One of the recommendations is the creation of a mental health respite center for transitional age youth (18 years and older) and adults experiencing a significant mental health crisis. This respite center would provide a place where an individual with a mental illness that does not pose an immediate danger to themselves or others can stay for a short period of time to stabilize before being assigned to a long-term treatment program or facility, rather than being admitted to psychiatric hospitalization or booked in jail. Behavioral Health and Recovery Services has been authorized to spend up to \$2,000,000 for the acquisition of a suitable property as well as an additional \$400,000 to renovate that property to fit the specific needs of the program.

DISCUSSION:

Real Property Services is working with Behavioral Health and Recovery Services to identify potential sites to be acquired to provide these services. Ideally, the Respite Center would be in a residential like setting and provide a therapeutic and welcoming environment. Specifically, the facility should have the capacity to serve 10 individuals at a time, and would need to provide sufficient space for a variety of therapeutic and wellness activities.

Due to the detailed and transparent codified process that the County must follow in any real estate acquisition, it can be difficult to compete with interested private parties who can act quickly and unilaterally in making offers to purchase property.

It is recommended that the Board of Supervisors authorize the County Manager or his designee to identify and negotiate the terms of the purchase of real property, not exceeding \$2,000,000. Inclusive in the negotiations is the authority for the County Manager or his designee to give an initial deposit of 3% of the purchase price with a subsequent increase deposit up to 25% of the purchase price, not to exceed a total of \$560,000, as well as a maximum per diem allowance of \$200 for additional delays beyond the industry standard 30 day close. These terms will allow the County to remain competitive in the private sector that is currently a seller's market. Once an offer to purchase has been accepted and all necessary due diligence has been completed for the desired property, the County Manager would report back to the Board for final approval of the acquisition

County Counsel has reviewed and approved the recommended process. The Director of Behavioral Health and Recovery Services concurs in this recommendation.

Approval of this process contributes to the Shared Vision 2025 outcome of a Healthy Community by establishing a process that allows the County to act quickly in its efforts to acquire property for use as a mental health respite center.

FISCAL IMPACT:

The \$560,000 deposit limit, the \$2,000,000 purchase limit and the \$200 per diem allowance are included in the Behavioral Health and Recovery Services budget for FY 2013-14 and would be subject to final approval by the Board of Supervisors.