

Central Services
Joan Araujo, Director

Engineering Services
Anastasia Seims, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Vacant, Director

Watershed Protection
Jeff Palmer, Director

October 29, 2024

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, California 93009

Subject: Approval of, and Authorization for the Public Works Agency Director (Director) or Designee to Sign, a Lease Agreement (Agreement) with Ventura Vagabond Inn, LLC, a California Limited Liability Company, for an 82-Room Motel Building, with an Adjacent Parking Lot, Located at 756 E. Thompson Boulevard in the City of Ventura for Ventura County Behavioral Health with Monthly Rent of \$185,000; Find that the Project is Categorically Exempt from CEQA; Authorization for the Director to Approve Minor Modifications to the Agreement; Supervisorial District No. 1.

Recommendations:

1. Approve and authorize the Public Works Agency Director (Director) or designee to sign the attached Lease Agreement (Agreement) with Ventura Vagabond Inn, LLC, a California limited liability company, for the 82-room motel building, with an adjacent parking lot located at 756 E. Thompson Boulevard, Ventura, for Ventura County Behavioral Health (VCBH) with monthly rent of \$185,000.
2. Find that your Board's approval of the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 as an action solely to lease existing facilities, and that no exceptions set forth in CEQA Guidelines section 15300.2 preclude use of this exemption.
3. Authorize the Director to approve minor modifications to the Agreement provided that any such modifications are consistent with the original purpose of the Agreement, do not result in additional costs to the County of Ventura and are reviewed and approved as to form by the County Counsel's Office.



Fiscal/Mandates Impact:

MHSA Budget Unit #3260-3273 (CSS Adult Services)

Mandatory:	No
Source of Funding:	Behavioral Health Bridge Housing, Proposition 63 Mental Health Services Act (MHSA)
Funding Match Required:	No
Impact on Other Departments:	None

	<u>FY 2024-25</u>	<u>FY 2025-26</u>
Summary of Revenue and Total Costs		
Revenue:	\$ 1,387,500	\$ 2,220,000
Costs:		
Direct	\$ 1,387,500	\$ 2,220,000
Indirect – Agency/Dept.	\$ 0	\$ 0
Indirect – County CAP	\$ 0	\$ 0
Total Costs	\$ 1,387,500	\$ 2,220,000
Net Costs	\$ 0	\$ 0
Recovered Indirect Costs	\$ 0	\$ 0

Current Fiscal Year (FY) Budget Projections:

FY 2024-25 Adjusted Budget for MHSA Budget Unit #3260-3273				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$72,040,338	\$75,650,779	\$75,650,779	\$0
Revenue	\$66,221,885	\$66,221,885	\$66,221,885	\$0
Net Cost	\$5,818,453	\$9,428,894	\$9,428,894	\$0

Sufficient appropriations and revenue are included in the FY 2024-25 adopted budget for MHSA Budget Unit #3260-3273. Sufficient appropriations and revenue will be included in the FY 2025-26 adopted budget for MHSA Unit #3260-3273.



Discussion:

In April 2023, Ventura County Behavioral Health (VCBH) submitted a proposal for a Behavioral Health Bridge Housing (BHBH) non-competitive funding allocation from the California Department of Health Care Services (DHCS) in the amount of \$13,325,088 to provide a variety of housing solutions for people experiencing homelessness who have serious behavioral health conditions that prevent them from accessing help and moving out of homelessness. In June 2023, VCBH was awarded conditional approval of the BHBH Short-term Housing Program funds by DHCS, and your Board approved the acceptance of the grant funding on September 12, 2023. After extensive stakeholder input, VCBH developed a BHBH program plan that included a provision for new shelter beds, emergency motel accommodations, interim supportive housing units and dedicated housing case managers to support this extensive new housing program. VCBH has dedicated BHBH resources to projects that were previously approved by your Board on December 19, 2023. However, since a service provider for one of the projects has chosen not to proceed with executing a BHBH Memoranda of Agreement for Shelter Beds, VCBH is reallocating available BHBH funds and combining them with available Mental Health Services Act dollars to create new bridge housing opportunities for the targeted population.

The attached Lease Agreement (Agreement) has been negotiated on behalf of Ventura County Behavioral Health (VCBH) with Ventura Vagabond LLC, a California limited liability company (Lessor), for the 82-room motel with an adjacent parking lot located at 756 E. Thompson Boulevard, Ventura, California. The term of the Agreement would be twenty-four months, and the monthly rent would be \$185,000, equating to a nightly rate of about \$75 which is far lower than the nightly market rate. The use of these rooms would expand the current continuum of available housing options for people experiencing homelessness who have serious behavioral health conditions, and VCBH would have a resource to provide clients with short-term, non-congregate housing while receiving case management and intensive housing navigation services with the goal of securing longer-term housing options. This housing would also support VCBH with its need for housing resources for CARE Court participants as that program comes online in December of this year. We are seeking approval and authorization for the Public Works Agency Director or designee to sign the Agreement with the Lessor.

The salient terms of the proposed Agreement are as follows:

LESSOR: Ventura Vagabond Inn, LLC, a California limited liability company

PREMISES: A portion of Assessor's Parcel Number 073-0-134-160, improved as a motel property, containing an 82-room motel building of



approximately 27,731 square feet of area, with an adjacent parking lot, commonly known and referred to as 756 E. Thompson Boulevard, Ventura (collectively, the “Premises”).

RENT: Rent shall be \$185,000 per month, modified gross, for the 24-month term. This rent reflects a rate of \$75.20 per room per night, which Real Estate Services has determined to be representative of fair market rent for such space in Ventura.

**REPAIRS
AND**

MAINTENANCE: Lessor shall maintain the Premises and shall provide, at its sole cost, all maintenance, repair, and replacement required to be performed in connection therewith.

UTILITIES: Lessor shall pay for all utilities, including waste removal, water, sewer, gas, and electrical serving the Premises and make payments directly to the utility companies furnishing same.

JANITORIAL: Lessor shall provide janitorial service to the Premises.

TERM: The term of the Agreement shall be 24 months, commencing on November 16, 2024, and terminating on November 15, 2026.

EARLY

TERMINATION: County shall have the right to surrender and quit paying rent for the Premises, with such surrender effective July 1, 2025, or thereafter, by providing Lessor with written notice at least thirty (30) days prior to such surrender.

Your Board’s approval of the Agreement, the project, is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 as an action to lease existing facilities. Staff has also determined that no unusual circumstances or other facts set forth in CEQA Guidelines section 15300.2(c) preclude use of this categorical exemption.

Strategic Plan:

This item contributes to the Board of Supervisors (Board’s) 2024-2027 strategic priority to provide:

- I. Healthy, safe, and resilient communities through



1. Providing equitable and timely access to quality healthcare, mental health, and public health services.

This letter and the Agreement have been reviewed by Ventura County Behavioral Health, the County Executive Office, the Auditor-Controller's Office, and County Counsel.

If you have any questions regarding fiscal or discussion portions of this letter, please contact Loretta Denering, at 805-973-5186. If you have questions regarding the Agreement, please contact George Andrade, Manager of the Real Estate Services Division, at 805-654-2402, or the undersigned at 805-654-2084.

Sincerely,



Joan Araujo
Director
Central Services

Attachments:

- Exhibit 1 – Vicinity Map
- Exhibit 2 – Location Map
- Exhibit 3 – Lease Agreement



