

June 9, 1980

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OFFICE OF THE MAYOR

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TO: Phillip L. Isenberg, Mayor, City of Sacramento  
Members, City Council

FROM: Illa Collin, Vice Chairman  
Board of Supervisors

SUBJECT: REMODELING OF THE SAN CARLOS MOTEL

On June 11, 1980 the Board of Supervisors approved the attached reports from the County Executive and Mental Health director regarding delays in the City Redevelopment Agency's remodeling of the San Carlos Motel for use as a local residential treatment facility. The Board asked that I urge you to instruct your executive director and staff of the City Redevelopment Agency to immediately request bids and award a contract to remodel the San Carlos Motel in accordance with the provisions of the City Redevelopment Agency/County lease dated March 11, 1980.

It was intended that the County would occupy that facility prior to June 12, 1980, the date of enactment of the City's special zoning ordinance requiring a special permit for mental health facilities. As you are aware, through no fault of the County, occupancy is not possible and the Board is forced to find temporary quarters and implement temporary program modifications to its clients. Because these factors are outside the County's control, the Board requests that your Council waive the requirement for a special permit, amend the City ordinance or take whatever legal action is necessary to exempt us and our Mental Health contractor from this local law.

I recognize that many of the City Council members have been aware of this problem and have assisted this Board in attempting to resolve the issue. I think it is important that your Council act now and jointly with the Board of Supervisors in instructing the Housing Authority to expedite this critical and necessary project.

*Illia Collin*

ILLA COLLIN, Vice Chairman  
Board of Supervisors

RES:ps

cc: City Manager  
Sacramento City/County Housing Commission  
County Executive

APPROVED  
BY THE CITY COUNCIL

JUN 17 1980

OFFICE OF THE  
CITY CLERK

*Referred to  
SARA*

COUNTY OF SACRAMENTO  
CALIFORNIA

APPROVED  
For Agenda of  
BOARD OF SUPERVISORS  
June 10, 1980

TO: Board of Supervisors  
FROM: County Executive's Office

JUN 10 1980  
*Betty J. Parker*  
BY \_\_\_\_\_

SUBJECT: REPORT BACK REGARDING MIDTOWN MANOR SAN CARLOS MOTEL PROJECT ITEM  
NO. 406380

Attached are both the Mental Health Department's and the County Housing Authority's responses to your June 3, 1980 request for a status report on the rehabilitation of the San Carlos Motel intended to house the Midtown Manor Mental Health Program by June 11, 1980. The Mental Health Department report outlines the background, current status, and suggested recommendations to solve the problem of establishing residential care facilities in a timely manner. I suggest you approve the Mental Health director's recommendations with the exception of early temporary occupancy. As your Board is aware, the City recently adopted an ordinance which becomes effective June 12, 1980, requiring a special permit to operate a mental health facility within the city limits. I and the Health director re-evaluated the deteriorating condition of the motel and concluded that it is not practical to occupy it even on an interim emergency basis. Since the facility cannot be occupied in accordance with the City Redevelopment Agency/County lease agreement, it is necessary for the City Council to grant a variance, or amend this ordinance.

With respect to the Redevelopment Agency, I find their response to be inadequate. The City Redevelopment Agency/County lease agreement, dated March 11, 1980, provides that plans and specifications for rehabilitation of the motel will be available within 30 days and occupancy within 90 days or June 11, 1980. Neither the plan, specifications nor occupancy has been accomplished. From my experience it would appear that if the City Redevelopment Agency were to expedite the rehabilitation activities at their next City Council meeting, it would require from three to six months for the building to be ready for occupancy.

I, therefore, recommend that your Board, acting as the Housing Authority for the County of Sacramento, direct that its executive director: 1) develop a list of corrective rehabilitation actions and timetable necessary to occupy the San Carlos Motel within 120 days, and 2) develop a comprehensive cost estimate as well as a timetable to complete all necessary plans and specifications. This includes the estimated time to prepare bid specifications, bidding package and contract awards, time frame for construction activities, and occupancy deadlines. This information should be forwarded to your Board by next Tuesday, June 17, 1980.

Finally, I recommend that your Board, as the Sacramento County Housing Authority, request the City Council, as the City Redevelopment Agency, concur in the preparation of a detailed cost estimate as well as time schedule and instruct agency staff to expedite the implementation of the rehabilitation work necessary to have the facility ready within 120 days. Further, because the County is unable to occupy

APPROVED  
BOARD OF SUPERVISORS

JUN 10 1980  
*Betty J. Parker*  
BY \_\_\_\_\_  
Clerk of the Board

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the building prior to enactment of the special City zoning ordinance, request that the City Council either waive the requirement for a special permit, amend the existing ordinance or take whatever legal action is necessary to exempt your Board and Midtown Manor from this local impediment to occupying this facility.

Respectfully submitted,



BRIAN H. RICHTER  
County Executive

RES:ps

Attachments

cc: City/County Housing Redevelopment Advisory Commission  
Sacramento City Manager

County of Sacramento  
California

June 10, 1980

To: Board of Supervisors

From: Ronald L. Usher, D.P.A.  
Director, Mental Health

Subject: REPORT BACK: Midtown Manor, San Carlos Motel Project  
Item No. 40, 6/3/80

Your Board has requested a report back on the status of the San Carlos Motel project. This former Motel is intended as the site for the mental health program currently operated by Midtown Manor at 2609 Capitol Avenue. Under separate cover, Sacramento County Housing and Redevelopment Agency is transmitting its report. This letter covers the situation from the perspective of the Sacramento County Division of Mental Health.

Background

Midtown Manor operates a three-quarter house, providing a mental health program to a population of up to 43 people who would likely be institutionalized if the services being provided were terminated. The program has operated under a board and care license at 2609 Capitol Avenue in a facility which is deteriorating and inadequate. That facility was sold earlier this year, and Midtown has been unsuccessful in obtaining new licensure. The license denial is being appealed. As a practical matter, it does not appear that the run-down facility will qualify for permanent licensure, as there is no incentive for the new owner to fix it up for this purpose.

Two years ago, it was determined that Midtown should be relocated. The San Carlos Motel became available, and a plan evolved for relocation of the program to that more suitable site. Acquisition was arranged through the Housing and Redevelopment Agency. The Agency agreed to purchase, renovate and lease the facility to the County for the Midtown Manor program. On July 17, 1979, City Council Resolution #2349 authorized the Housing and Redevelopment Agency to use tax increment money to purchase the San Carlos. It was understood that once it was acquired and the renovations made, it would be sold to a private developer who would continue to lease it to the County for Midtown. Initial estimates were that renovations would be complete in January 1980. Up to \$50,000 of work was recognized as a condition precedent for obtaining licensure. This work includes fire sprinklers, fire escapes, construction of a kitchen, and miscellaneous refurbishing.

Present Situation

Although arrangements as described above were concluded several months ago, the plan has not been implemented in a timely manner. From our perspective, implementation has bogged down through the processes of the Housing Authority. Randy Wagaman, the staff member who handled the transaction for the Housing Authority desired to promote a trade of this property to a private investor. It was recognized that remodelling work could be done most expeditiously after the San Carlos property was in private ownership. In April, Mr. Wagaman submitted a package to the Housing Commission proposing that the Redevelopment Agency trade the property

to the Gunnar Development Corporation as partial payment for a mobile home site in the County of Sacramento. The Housing Commission did not approve this trade. Bids on the San Carlos were then solicited, but none were received.

On June 2, the City Budget and Finance Committee met and recommended that bids on the sprinkler system be solicited. This recommendation will come before the City Council on June 4. However, the staff of Midtown has not, to date, been able to secure final copies of the architectural drawings for the sprinkler system or other necessary renovations and, as a result, the plans for these renovations have not been approved by either State Licensing or the Fire Marshall.

Even though some hurdles now appear to be overcome, the success of the planned project is by no means certain. It will take considerable time for the sprinkler work to be done. Even when that work is done, the facility will not be licensable as a residential board and care facility. Thus, several more months are likely to pass before the facility is ready. Midtown cannot be expected to operate much longer under a license appeal at the present site, and Sacramento County should not continue to support financially a mental health program which is operating in an unlicensed facility.

Midtown has closed intake so as to minimize the individual relocation problem which will occur if the program is forced to close. We support that decision. If nothing positive happens soon, it is predictable that the 33 persons now residing at Midtown will have to be relocated to other local facilities to the extent feasible, but more likely to state hospitals. Midtown will go out of business, and then some months into the future after the remodelling is done, a new request for proposals will go out to establish at the San Carlos a program comparable to what Midtown operates. By that time, the successful proposer will have to apply for a special permit under the recently amended City zoning ordinance to operate the program at the San Carlos.

#### Proposed Action

1. The Sacramento Housing and Redevelopment Agency should be urged to see that the planned remodelling of the San Carlos Motel is completed by whatever means are available as expeditiously as possible.
2. Sacramento County Division of Mental Health should provide technical assistance to Midtown to assure adequate and safe housing for residents. There are essentially two ways this might be accomplished. The preferred alternative is for Midtown to repair the current facility enough to meet standards for a provisional license. Such a license would allow them to legally continue operations until they can move to the San Carlos. This would allow Midtown residents to continue their current treatment program with minimal disruption, would avoid their having to be relocated and would allow the County

Division of Mental Health to continue its contract with Midtown. Midtown staff is currently completing an application for a provisional license, together with a list of repairs which can be made without incurring major costs and a time line for completing these repairs. The plan to submit this material to Licensing June 5 and Licensing has agreed to review their application as soon as it is received and give them a decision as to whether the proposed repairs will be sufficient to allow continued operation. If Licensing approves the plan for minimal repairs, by the Board of Supervisors meeting of June 10th an estimate of cost and source of funding will be available. The current Midtown contract contains about \$2,000 in savings, and Midtown staff would be able to do some of the work. If Licensing won't approve a provisional license for the current number of residents, Licensing may approve continued use of the premises by a smaller number of residents. The others could then be relocated to other facilities and, while this is not ideal, it would be better than disrupting all the residents.

The second option, if provisional licensure is denied, is for Midtown to close and its residents to be relocated to other facilities. Such facilities would include, dependent upon space, Napa State Hospital and local board and care facilities. Preliminary exploration indicates that some programs which are less structured than Midtown might be willing to take Midtown residents if Midtown staff could continue to provide supportive services to them. If this were the case, the County could develop a contract with Midtown to provide such services. While this option may become necessary, it would not only be disruptive, but would result in some Midtown residents being placed in levels of care which are too high and others being placed in levels which are too low.

3. Sacramento County and the Housing and Redevelopment Agency should allow Midtown Manor to occupy the San Carlos immediately for purposes of conducting, at that site, all or part of the day treatment program for which the Division of Mental Health contracts. An exchange of correspondence between Lessor (Housing Agency) and Lessee (County) should allow this to happen. (See attached lease terms). (An alternative to this suggestion would be to ask the City Council to pass an ordinance amending the new zoning ordinance to exempt this project since City of Sacramento has, in effect, already approved it.) Interim partial occupancy would serve two purposes:
  - a. It would allow Midtown to establish its use of the San Carlos premises before the June 12, 1980, effective date of the City zoning ordinance amendment. Since the City Council, Board of Supervisors, and Housing Authority have already agreed to the use of this site for this purpose, a future necessity to seek a use permit would only delay implementation of what has already been inordinately delayed.

- b. It would mitigate the present awkward arrangement of Sacramento County contracting for a mental health program which is being operated at a residential facility for which licensure is under appeal. It should be emphasized that Sacramento County contracts with Midtown Manor for a mental health treatment program, not for residential care. The Short-Doyle funded day program does not require licensure. Board and care costs are covered by fund sources (typically SSI) which are wholly beyond the control of the County.

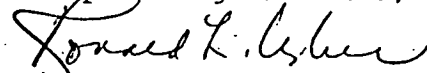
If this approach is accepted, the sublease which has been negotiated with Midtown should become operative, and Midtown's service contract should be modified to cover the situation. Midtown Manor should operate the mental health program at San Carlos during the remodelling period in such a way as to avoid interference with the construction work in process. Once the remodelling work is completed and new licensure secured, the day treatment and residential board and care components of the Midtown Manor program should be recombined at the San Carlos site.

RECOMMENDATION

It is, therefore, recommended, that your Board:

1. Communicate directly to the Housing and Redevelopment Agency your position that the planned remodelling of the San Carlos Motel should be completed as expeditiously as possible, pursuant to the lease of that facility to Sacramento County.
2. Seek concurrence from the Housing Agency for partial occupancy of the San Carlos Motel by Midtown Manor for the purpose of conducting a day treatment mental health program, and authorize the Division of Mental Health to coordinate the immediate establishment of such a program on the leased premises under contractual arrangements, existing and to be amended, between Midtown Manor and Sacramento County.

Respectfully submitted,



Ronald L. Usher, D.P.A.  
Director, Health Department

Attachment

CONCUR:

Brian H. Richter,  
County Executive

cc: Sheila Boltz, Midtown Manor  
Lori McMahan  
Karen Jacques  
Sacto. Housing & Redevelopment Agency  
Lee Elam  
Norm Linbaugh  
County Executive  
Director, Health Department



EXCERPT OF LEASE DATED MARCH 11, 1980, BETWEEN  
HOUSING AUTHORITY / COUNTY OF SACRAMENTO FOR  
SAN CARLOS MOTEL.

...When Lessor has completed the premises in accordance with the terms and conditions of this Lease, and a Permit of Occupancy has been issued by the County of Sacramento, written notice shall immediately be given to Lessee that the premises are ready for occupancy, and occupancy shall be considered to commence ten (10) days after receipt of said written notice by Lessee. Such service shall be made upon the Real Estate Section, Department of Public Works, County of Sacramento, 827 - 7th Street, Room 220, Sacramento, California 95814. PROVIDED, HOWEVER, if Lessee occupies the premises prior to the receipt of such notice, or prior to the expiration of the notice period, rental shall commence to accrue as of the date of such occupancy but only if a Permit of Occupancy has been issued.

Occupancy of the premises by the Lessee shall not relieve Lessor in any respect from full compliance with aforesaid Exhibits "A" and "B". It is further understood and agreed that any installation not in conformance with said Exhibits shall be corrected by the Lessor at its sole cost and expenses.

Notwithstanding any other provisions in the lease to the contrary, in the event remodeling of the building wherein said premises are located is not completed and said premises ready for occupancy within ninety (90) days after the execution of this Lease or in the event that Lessor does not submit to Lessee a complete set of plans and specifications within thirty (30) days after execution of this Lease, Lessee shall thereupon have the right at its option, to cancel and terminate this Lease at any time thereafter prior to occupancy without any obligation on its part herein.

.....



# CITY OF SACRAMENTO

## OFFICE OF THE CITY CLERK

915 I STREET

CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814

TELEPHONE (916) 449-5426

LORRAINE MAGANA  
CITY CLERK

June 19, 1980

### MEMORANDUM

TO: SACRAMENTO HOUSING & REDEVELOPMENT AGENCY

FROM: ANNE MASON, DEPUTY CITY CLERK *a*

SUBJECT: REFERRAL OF ITEM 23, COUNCIL AGENDA OF JUNE 17, 1980

Pursuant to Council action, the following matter was referred to you for report:

Remodeling of the San Carlos Motel - Request full report on status and time schedule.

cc: City Manager

Phil 23A

INTERSTATE 80 ALTERNATIVES ANALYSIS  
STEERING COMMITTEE

1-88

80-371

TO ESTABLISH THE RELATIVE PRIORITY WITHIN THE  
SACRAMENTO URBANIZED AREA OF THE NORTH-EAST CORRIDOR

WHEREAS, the study of alternatives is necessary to enable the programming of Interstate substitution funds available to the Sacramento urbanized area; and

WHEREAS, the United States Department of Transportation, Urban Mass Transportation Administration requires local identification of a priority corridor as a pre-condition for Phase II alternatives analyses; and

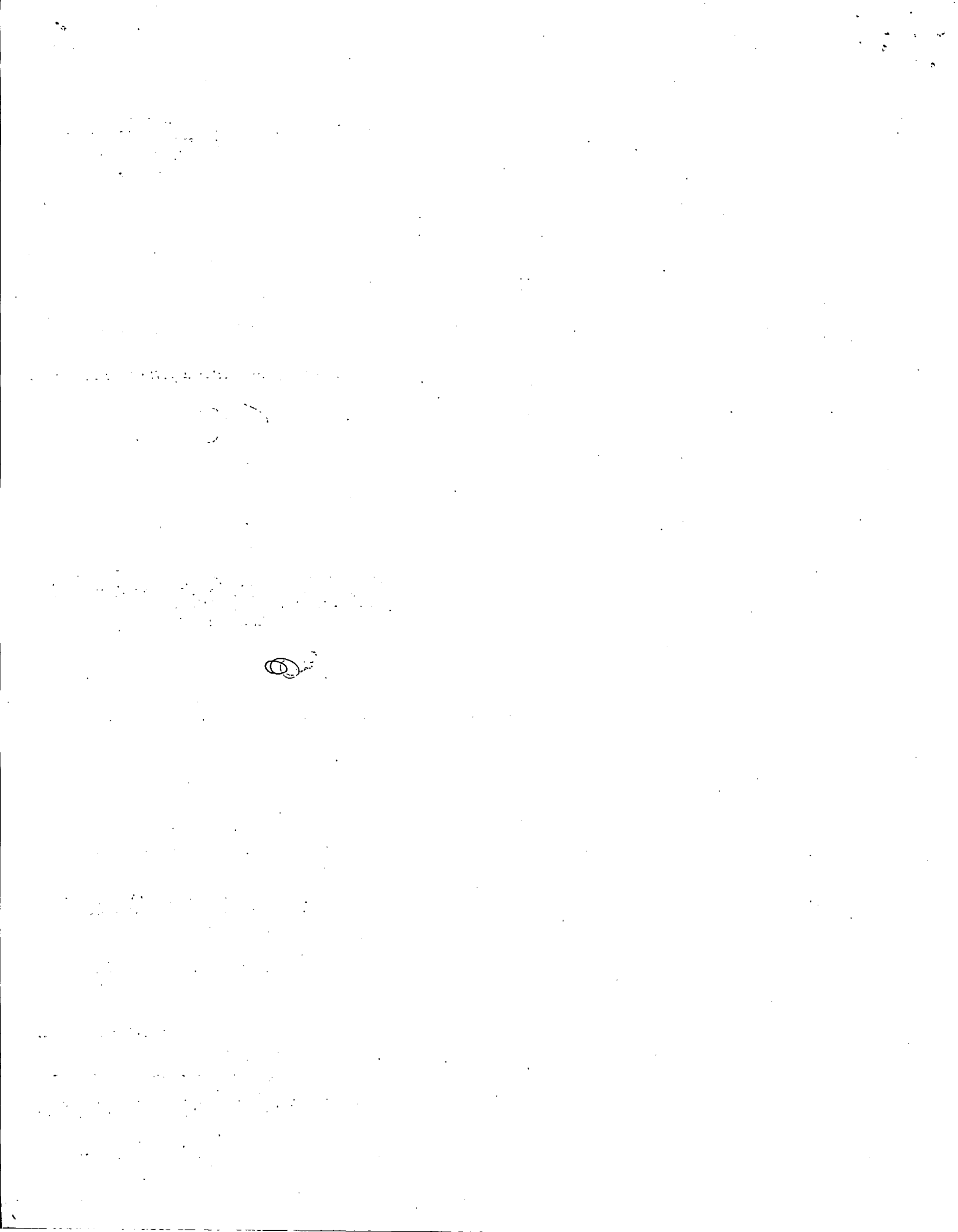
WHEREAS, the California Transportation Commission (CTC) has approved through its Resolution No. FMT 80-3, dated March 28, 1980, the allocation of \$150,000 in Article XIX funds to the Phase II Alternatives Analysis for I-80 Interstate substitution funding; and,

WHEREAS, the California Department of Transportation (CALTRANS) has indicated it will support a request to the CTC from local officials to delete the requirement embodied in Resolution No. FMT 80-3 relative to establishing priority between the I-80 and Folsom (U.S. 50) routes; and

APPROVED  
BY THE CITY COUNCIL

JUN 17 1980

OFFICE OF THE  
CITY CLERK



WHEREAS, CALTRANS has suggested integration of the analyses of transportation alternatives along the I-80 and U.S. 50 routes; and

WHEREAS, promising alternatives have been identified along both the I-80 and U.S. 50 routes which can be evaluated more effectively if the technical work is integrated;

NOW THEREFORE BE IT RESOLVED, that the *Sacramento City Council* Interstate-80 ~~Alternatives-Analysis-Steering-Committee~~ concludes that the *and* North-East Corridor has first priority in the urbanized area for the study of transit developments.

BE IT FURTHER RESOLVED, that study of promising alternatives in the Folsom Corridor should be fully integrated into the currently on-going Alternatives Analysis/Environment Impact Statement, and that the results of such study will be useful in later comparisons and choices among the various transit development options.

BE IT FURTHER RESOLVED, that nothing in this resolution shall be construed so as to preclude continuing studies of promising transit developments in other corridors or locations in the region.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 1980  
by the following vote of the Committee.



# CITY OF SACRAMENTO

## OFFICE OF THE CITY CLERK

915 I STREET

CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814

TELEPHONE (916) 449-5426

LORRAINE MAGANA  
CITY CLERK

June 23, 1980

SRAPC

800 - H Street, Suite 300  
Sacramento CA 95814

Dear Sir:

On June 17, 1980 the Sacramento City Council passed Resolution No. 80-371 regarding I-80 Alternatives. Council action concludes that the North and East Corridor has first priority in the urbanized area for the study of transit developments and this resolution should not be construed to promise continuing studies of transit developments in other corridors or locations.

The City Manager was requested by the Council to establish a staff working committee to analysis alternatives and make suggestions and recommendations

Sincerely,

Anne Mason  
Deputy City Clerk

cc: City Manager  
Anne Rudin

23A



# CITY OF SACRAMENTO

## OFFICE OF THE CITY CLERK

915 I STREET

CITY HALL, ROOM 203

SACRAMENTO, CALIFORNIA 95814

TELEPHONE (916) 449-5428

LORRAINE MAGANA  
CITY CLERK

TO: CITY ATTORNEY

FROM: ANNE MASON, DEPUTY CITY CLERK *am*

SUBJECT: REFERRAL ITEM 23A, COUNCIL AGENDA JUNE 17, 1980

DATE: JUNE 23, 1980

On June 17, 1980 the City Council requested that your office prepare a Resolution which would empower the City staff to act regarding I-80 Alternatives. Attached is Resolution No. 80-371 passed by the Council to establish priority for the North and East corridor.

cc: City Manager  
Anne Rudin

23A