REPORT TO HOUSING AUTHORITY
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Consent
April 22, 2014

Honorable Chair and Members of the Housing Authority Board

Title: Approval of the Public Housing Medicaid Waiver Demonstration Program and Lease Agreement with Blossom Ridge Home Health Agency for Gibson Oaks Apartments

Location/Council District: Gibson Oaks/480 Redwood Ave. – Council District Four

Issue: There are many disabled individuals residing in public housing designated for "Elderly Only" or "Elderly or Disabled" who need a higher level of care in order to live independently. Many of these residents are hospitalized frequently or are hospitalized longer than they would be if they had greater access to medical care and non-medical support. This report authorizes SHRA to lease space at the Gibson Oaks Apartments to Blossom Ridge Home Health Agency in order to provide medical services and support to the residents living there.

Recommendation: Adopt a **Housing Authority Resolution:** 1) approving the Public Housing Medicaid Waiver Demonstration Program lease agreement, 2) authorizing the Housing Authority Executive Director to execute a one-year lease with Blossom Ridge Home Health Agency, which will be renewable annually for four additional years at the option of the Housing Authority, 3) authorizing the Housing Authority Executive Director to amend lease renewal to charge rent consistent with Agency Policy and the Medicaid Waiver Program and 4) making related environmental findings.

Contact: MaryLiz Paulson, Assistant Director, Conventional Public Housing, 440-1334

Presenters: MaryLiz Paulson, Assistant Director

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: Gibson Oaks is an 80-unit conventional public housing apartment complex for persons aged 62 and older. All units are one-bedroom units, allowing one- or two-person families to live independently. A one-bedroom unit meets the needs of our active, mobile elderly residents but does not meet their needs as they age in place and need additional support from care givers. SHRA will serve as a demonstration program for the Assisted Living Waiver Program

(ALWP). This report authorizes SHRA to lease space at Gibson Oaks to Blossom Ridge Home Health Agency in order to provide services to the residents of the complex. Interested Medicaid-eligible residents would apply to enroll in the program. The space to be leased will serve as an office for Blossom Ridge staff, which may include Registered Nurses, Certified Nursing Assistants, Licensed Vocational Nurses, and Caregivers. Blossom Ridge staff will be located on-site 24 hours/day, seven days a week and will be providing services to the enrolled residents in their apartments. The office space will provide a place where staff can work on paperwork between appointments and a place for residents to contact these staff when assistance is needed. Examples of services to be provided may include: meal preparation, medication management, personal care, housekeeping, laundry, and skilled nursing services. These services are funded by Medicaid (in California called "Medi-Cal") through the ALWP and, as a result, costs are not assumed by the income-eligible residents or by SHRA. The purpose of the ALWP is to "assist Medi-Cal beneficiaries to remain in their community as an alternative to receiving care in a licensed healthcare facility." In this way, the needs of our aging residents can be met. It is anticipated that the partnership between SHRA and Blossom Ridge will reduce the frequency and duration of hospitalization among residents participating in this program.

Policy Considerations: The recommended action in this report is consistent with the Housing Authority's goal to provide decent, safe and sanitary housing to eligible low-income residents.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): The recommended activity is not a project under the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(5) and no further environmental review is required.

National Environment Policy Act (NEPA): The proposed activity is a categorical exclusion not subject to federal law under 24 CFR 50.19 (b)(4) and categorically exempt under 24 CFR (a) (4); therefore, no further review is required under the National Environmental Policy Act..

Commission Action: It is anticipated that, at its meeting of April 16, 2014, the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Board in the event this does not occur.

Rationale for Recommendation: The proposed partnership between SHRA and Blossom Ridge assists low-income, elderly residents living in public housing to receive the support they need to live independently. It is expected that the frequency and duration of hospitalization will be reduced as a result of this partnership, reducing the cost of medical care in the community.

Financial Considerations: Since the cost of services is covered through Medicaid (Medi-Cal), there are no financial implications for SHRA. It is anticipated that the medical costs incurred by the participants in this program will decrease, reducing the medical burden to the community.

M/WBE and Section 3 Considerations: The items discussed in this staff report do not involve federal funding; therefore, there are no M/WBE or Section 3 requirements.

Respectfully Submitted by: _____
LA SHELLE DOZIER
Executive Director

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Attachments

1. Resolution pg. 4
   Exhibit A - Lease pg. 6

Approved as to form:

_____
Agency Counsel

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RESOLUTION NO. 2014 -

Adopted by the Housing Authority of the City of Sacramento

On date of

APPROVAL OF THE PUBLIC HOUSING MEDICAID WAIVER DEMONSTRATION PROGRAM AND LEASE AGREEMENT WITH BLOSSOM RIDGE HOME HEALTH AGENCY FOR GIBSON OAKS APARTMENTS

BACKGROUND

A. The Housing Authority of the City of Sacramento provides affordable, subsidized rent to low-income, elderly persons (persons aged 62 and older) living at Gibson Oaks Apartments at 480 Redwood Avenue, Sacramento.

B. Gibson Oaks Apartments has 80 one-bedroom units. As residents experience a decline in their health, they are unable to have a live-in aide move in to provide 24 hour care as the units are single-bedroom units.

C. Hospitalization can be prevented with the provision of additional services while individuals remain at home or in a community residential living setting.

D. Blossom Ridge Home Health Agency can provide 24/7 medical and non-medical services to families living at Gibson Oaks Apartments, a conventional public housing development, at no direct cost to the resident or to the Housing Authority as the costs are paid through the Medicaid Waiver Program.

E. On April 16, 2014, a noticed public hearing pursuant to Health and Safety Code Section 34312.3 was held before the Sacramento Housing and Redevelopment Commission

F. The recommended activity is not a project under the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(5) and no further environmental review is required.

G. The activity authorized by this resolution is a categorical exclusion not subject to federal law under 24 CFR 50.19 (b)(4) and categorically exempt under 24 CFR (a) (4); therefore, no further review is required under the National Environmental Policy Act.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

Section 1: The Background facts, above including the environmental facts are found to be true and correct.

Section 2: The Public Housing Medicaid Waiver Demonstration Program Lease Agreement set forth in Exhibit A is approved.

Section 3: The Housing Authority's Executive Director is authorized to execute a one-year lease with Blossom Ridge Home Health Agency, which is renewable annually for four additional years at the option of the Housing Authority.

Section 4. The Housing Authority's Executive Director is authorized to amend lease renewals to charge rent as permissible under the public housing Medicaid Waiver Program and consistent with Agency Policy.

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Exhibit A - Lease between the Housing Authority of the City of Sacramento and Blossom Ridge Home Health Agency.

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Exhibit A

LEASE AGREEMENT

THIS LEASE, dated _____ is between the **HOUSING AUTHORITY OF THE CITY OF SACRAMENTO** (LESSOR), and **BLOSSOM RIDGE HOME HEALTH AGENCY, LLC,** (BLOSSOM RIDGE/LESSEE).

IT IS AGREED:

1. PREMISES:

A. The Premises consist of approximately _____ square feet located at 480 Redwood Avenue, Sacramento California, ("Premises"). A diagram of the Premises is attached as "Exhibit A", and incorporated herein by reference.

Substitution of Other Premises. LESSOR shall have the right to relocate LESSEE to other space at 480 Redwood Avenue of comparable size to the Premises, and all of the terms and provisions of this Lease shall apply to the new space with equal force and effect. LESSEE agrees to move within ten days written notice by LESSOR

B. LESSEE accepts the Premises in "as is" condition.

C. LESSEE may have access to the Premises on a 24/7. LESSEE acknowledges that it is leasing premises in a residential building and the use of telephones, computers and other office equipment, and radios, etc., shall be in a manner and at a volume that will not interfere with the quiet enjoyment of the residents.

2. FACILITIES USE AGREEMENT:

A. LESSEE will enter into a Facilities Leases Agreement in lieu of rent payments.

3. LEASE TERM:

A. LESSOR grants to LESSEE a tenancy for One Year, commencing on _____ in the following property. This LEASE may be extended annually for up to four (4) additional years.

B. Either party shall have the right to cancel this Lease at no cost or penalty by giving the other party thirty days written notice.

C. Any holdover tenancy beyond the initial or subsequent lease terms shall be on a month-to-month basis on the same terms and conditions as stated herein

4. USE AND REPORTS:

A. The Premises shall be used by LESSEE only for purposes related to operation of Assisted Living Waiver Program. This program allows Blossom Ridge to partner with the Housing Authority of the City of Sacramento to provide public housing

residents with services in their home which may include: meal preparation, medication management, personal care, housekeeping, laundry, and skilled nursing services. If LESSEE wishes to use the Premises for any additional uses and/or services not included in this Lease, LESSEE must describe in writing the intended uses and/or services and obtain LESSOR'S written approval.

B. LESSEE shall have the right to share use of the Common Area and the restrooms in the Premises.

C. LESSEE shall have access to its resident participants on a 24/7 basis.

D. LESSOR is providing the Premises to LESSEE at a discounted rental rate to enable LESSEE to more cost effectively provide and focus its services to LESSOR'S residents and, therefore, non-residents will not be served from the Premises.

E. LESSEE shall provide to LESSOR recurring written reports that must be received by LESSOR via email or mail no later than five business days after each calendar month. Reports, at a minimum, shall include the following items:

1. Number of resident participants.

2. A summary of the LESSEE'S activities over the preceding month and any measurable deliverables under the program requirements.

3. Any cost savings reports or program achievements issued by the California Department of Health Care Services regarding the Medicaid Waiver Program.

5. PARKING:

Parking is not available. LESSEE acknowledges that LESSEE and its employees will make their own arrangements for off-site parking.

6. UTILITIES:

A. Utilities are included in this Lease for the Premises.

7. MAINTENANCE AND JANITORIAL:

A. LESSOR shall designate sources to be called when repairs are required. Said sources shall be called in the event LESSEE is unable, within a reasonable time, to make contact with LESSOR for LESSOR'S aforementioned maintenance/repair responsibilities.

B. LESSEE shall at its cost provide janitorial service in its Premises.

8. SECURITY SYSTEM:

A. LESSOR agrees that it will provide LESSEE with a proprietary lock for the Premises with access available only to LESSEE and the Site Manager.

9. ALTERATIONS BY LESSEE:

A. LESSEE is responsible for the construction and installation of all tenant improvements required to conform the Premises to LESSEE'S needs, if any are required, including all associated costs. Provided, however, LESSEE must obtain LESSOR'S written approval of the proposed tenant improvements before commencement of any of the work. The estimated costs for construction of the tenant improvements are set forth in the attached "Exhibit D: Schematic Construction Estimate". LESSEE shall immediately pay all costs of labor, services, and materials supplied in prosecution of any work to be done on the Premises, if such work is approved. LESSEE shall keep the Premises free and clear of all mechanics liens and any other liens. All completed work must be approved by LESSOR, in addition to any required City approvals, before LESSEE commences its operations on the Premises.

B. LESSEE may make no other alterations to the Premises without the prior written consent of LESSOR.

11. LESSEE OWNED ITEMS:

All permanent fixtures, partitions or other improvements made or installed under the requirements of this Lease, by either LESSOR or LESSEE, shall remain the property of the LESSOR. LESSEE shall repair any damage to the leased premises resulting from removal of any fixture, partition, or other improvement installed by LESSEE.

12. INSURANCE:

During the Lease Term, LESSEE must maintain the following insurance coverage from insurance providers licensed to do business in California and having an industry rating that is reasonably acceptable to LESSOR. Failure to maintain the required insurance is a material breach of this Lease. Before beginning any work under this Lease, LESSEE must provide LESSOR with certificates of insurance or copies of the insurance policies demonstrating the required coverage, and the required endorsements naming LESSOR as an additional insured. LESSEE must assure that such certificates and endorsements are in a form reasonably acceptable to the LESSOR and reflect fulfillment of all of the requirements of this Lease. LESSEE must assure that the coverage afforded under the policies can only be canceled after thirty (30) days prior written notice to the LESSOR of the pending cancellation. LESSEE must mark such notice to the attention of the LESSOR's Procurement Services Office at the following address:

SACRAMENTO HOUSING & REDEVELOPMENT LESSOR
801 12th Street
Sacramento, California 95814

A. The required insurance coverage is the following: (i) One Million Dollars ($1,000,000) or more of commercial general liability coverage, with a minimum aggregate of $2,000,000, including, without limitation, coverage for professional liability, public liability and property damage and having a deductible of _____ Dollars ($) or less; (ii) if motor vehicles are used in connection with this Lease, Five Hundred Thousand Dollars ($500,000) or more of automobile liability coverage having a deductible of Five Thousand Dollars ($5,000) or less; and statutory limits or more of workers compensation coverage for all employees of LESSEE and all others doing Lease work. The general liability policies shall be endorsed to name the LESSOR as an additional insured.

B. Cancellation: LESSEE will provide the LESSOR with the cancellation clause and/or any amendatory endorsements that modify or change the policy cancellation clause of the insurance policies in force. It is the LESSEE's responsibility to notify the LESSOR of any notice of cancellation, non-renewal or non-payment of premium in accordance with your policy provisions. In the event insurance is cancelled or not renewed, the LESSEE shall notify the LESSOR within forty eight **(48)** hours of such cancellation or non-renewal.

_____LESSEE's Initials

13. RISK OF HAZARDS:

LESSEE shall not do anything on the premises, nor bring or keep anything thereon which will in any way increase the risk of fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.

14. LICENSES and PERMITS. LESSEE at all times during the Term of this Lease, remain in good standing with the California Department of Health Care Services-Long Term Division, maintain a current license from the California Department of Public Health, and maintain local business and occupancy permits as may be required. Failure to maintain these licenses and the applicable permits will constitute a material breach by LESSEE of this Lease.

15. NON-DISCRIMINATION:

The LESSEE herein covenants by and for itself, and LESSEE'S heirs, administrators, and assigns, and all person claiming under or through LESSEE that this Lease is made and accepted on the following conditions: that there shall be no discrimination against or segregation of any person or group of persons, on basis of on race, color, national origin, religion, sex, sexual orientation or gender identity, familial status, language proficiency, age or disability in the leasing, sub-leasing, transferring, use, provision of services, occupancy, tenure, or enjoyment of the premises herein leased nor shall the LESSEE or any person claiming under or through the LESSEE establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sub-lessees, subtenants or vendees in the Premises herein leased.

16. INDEMNIFICATION:

LESSEE agrees to indemnify, defend and hold LESSOR and LESSOR'S governing boards, employees, agents, and contractors harmless from all liability, penalties, losses, damages, costs, expenses, causes of action, claims, or judgments arising by reason of any death, bodily injury, personal injury, or property damage resulting from any cause occurring in or about or resulting from an occurrence in or about Premises during the Lease term; the negligence act or omission or willful misconduct of LESSEE or LESSEE'S agents, employees, and contractors wherever it occurs; or, an Event of LESSEE'S default. The provisions of this paragraph shall survive the expiration or sooner termination of this Lease.

17. SUCCESSORS-IN-INTEREST:

LESSEE may not transfer or assign this Lease. Any purported assignment of this LEASE by LESSEE or any interest in this Lease shall be void and of no effect.

18. WRITTEN COMMUNICATIONS:

A. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party pursuant to this Lease shall be in writing and either served personally or sent by prepaid, first class, certified mail.

Such matters shall be addressed to the other party at the following address:

To LESSOR at:

Housing Authority of the City of Sacramento
801 12th Street, Fifth Floor
Sacramento, CA 95814
Attention: Assistant Director

Phone No. (916) 449-6302
Fax No. (916) _442-3718

To LESSEE at:

Blossom Ridge Home Health Agency

Attention: Director of Operations

Phone No. (800) 991-6147
Fax No. (916) 520-3713

or such other address as a party may designate to the other by notice.

B. Any matter mailed pursuant to this paragraph shall be deemed communicated within forty-eight (48) hours from the time of mailing.

19. RIGHT AND REMEDY:

No delay or omission in the exercise of any right or remedy of either party on any default of the other party shall impair such a right or remedy or be construed as a waiver of such default. Any waiver by either party of any default of the other party shall be in

writing and shall not be a waiver of any other default concerning the same or any other provisions of the Lease.

20. RULES AND REGULATIONS:

LESSEE'S occupancy and use of the Premises shall at all times be conducted in manner that is in compliance with LESSOR'S Rules and Regulations as promulgated from time to time at the sole discretion of LESSOR. Violation of these Rules and Regulations will be a default by LESSEE, in which case LESSOR may terminate this Lease on 48 hours written notice.

LESSOR:

HOUSING AUTHORITY OF
THE CITY OF SACRAMENTO, a public
body, corporate and politic

By: _____
La Shelle Dozier
Executive Director

DATE: _____

LESSEE:

BLOSSOM RIDGE HOME HEALTH AGENCY
LLC, a California limited liability company

By: _____
Gerald G. Agustin
Authorizing Agent

DATE: _____

APPROVED AS TO FORM:

_____
AGENCY COUNSEL