

FORSYTH COUNTY

BOARD OF COMMISSIONERS

MEETING DATE: MARCH 11, 2013 AGENDA ITEM NUMBER: 6


SUBJECT: RESOLUTION AUTHORIZING THE COUNTY MANAGER TO PROVIDE NOTICE OF NONRENEWAL OF LEASE AGREEMENT WITH CENTERPOINT HUMAN SERVICES RELATING TO FIVE PIECES OF COUNTY PROPERTY

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS: Recommend Approval

SUMMARY OF INFORMATION:

See attached

ATTACHMENTS: YES NO

SIGNATURE:  DATE: March 6, 2013
COUNTY MANAGER

RESOLUTION AUTHORIZING THE COUNTY MANAGER TO PROVIDE NOTICE OF NONRENEWAL OF LEASE AGREEMENT WITH CENTERPOINT HUMAN SERVICES RELATING TO FIVE PIECES OF COUNTY PROPERTY

WHEREAS, on July 1, 2005, Forsyth County, as Landlord, entered into a Lease Agreement with CenterPoint Human Services, as Tenant, relating to the following five described County-owned properties at an annual rent of One Dollar (\$1.00) per property to facilitate the provision of mental health services to the citizens within the catchment area:

- a. Forsyth Industrial Systems, 650 N. Highland Ave.,
- b. Mental Health Facility, 725 N. Highland Ave., exclusive of that space in which the Forsyth County Department of Health operates a pharmacy,
- c. Building C, 651 N. Highland Ave.,
- d. ADD Progam Building, 650 N. Highland Ave.,
- e. Sturmer House Group Home, 5560 Sturmer Park Circle; and

WHEREAS, as authorized in the Lease, CenterPoint subsequently entered into Subleases of four of the properties with mental health providers consistent with the purpose of the original Lease Agreement; and

WHEREAS, the operations of CenterPoint Human Services have now changed due to its recent transition to a Medicaid Waiver site, and the lease and sublease of the above-described County properties to facilitate the provision of mental health services are no longer consistent with CenterPoint's new role and responsibility; and

WHEREAS, even though CenterPoint was leasing the said properties from the County for one dollar each per year and subleasing four of the properties to mental health providers at higher rates, the lease payments to CenterPoint represented just enough revenue to cover CenterPoint's financial responsibilities under the lease for maintenance of the properties, and resulted in a zero net financial gain to CenterPoint; and

WHEREAS, the executive director of CenterPoint Human Services is supportive of the County resuming the direct management of the said properties, but requests that CenterPoint's current Subleases be extended and honored for one additional year; and

WHEREAS, the County Manager and the County General Services Department Director recommend that the County resume direct management of the above listed County properties effective July 1, 2013 to enhance the County's ability to make long-term strategic decisions about County capital needs; and

WHEREAS, the above identified County properties will not be needed by the County for any County use during the remaining term of the Lease and Subleases.

NOW, THEREFORE, BE IT RESOLVED that the Forsyth County Board of Commissioners hereby authorizes the County Manager to provide timely written notice to CenterPoint Human Services of the County's nonrenewal of the Lease Agreement with CenterPoint relating to the above-described County properties effective July 1, 2013.

BE IT FURTHER RESOLVED that the Forsyth County Board of Commissioners hereby delegates to the County Manager the authority to extend and honor the current Subleases of CenterPoint of the above described County property for a term of one additional year pursuant to the provisions of N.C.G.S. 160A-272, subject to a pre-audit certificate thereon by the Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney.

Adopted this the 11th day of March, 2013.