

11. Approve an amendment to Lease Agreement No. 31377 with Genoa Healthcare LLC, a Limited Liability Company, as Subtenant, and County as Sublandlord, to correct the pharmacy address to its officially designated address of 522 E. Tulare Ave., Visalia, as assigned by the City of Visalia, and to adjust the rent to an amount reflective of and equivalent to the annual rent increases and the rate per square foot required under the Prime Lease, of space located within 520 E. Tulare Ave., Visalia, retroactive from October 1, 2023.



# General Services Agency

## COUNTY OF TULARE AGENDA ITEM

### BOARD OF SUPERVISORS

LARRY MICARI  
District One

PETE VANDER POEL  
District Two

AMY SHUKLIAN  
District Three

EDDIE VALERO  
District Four

DENNIS TOWNSEND  
District Five

**AGENDA DATE:** March 18, 2025

Public Hearing Required	N/A
Scheduled Public Hearing w/Clerk	N/A
Published Notice Required	N/A
Advertised Published Notice	N/A
Meet & Confer Required	N/A
Budget Transfer (Aud 308) attached	N/A
Personnel Resolution attached	N/A
Agreement(s) attached	Yes

CONTACT PERSON: Maria Benavides-Lopez PHONE: 559-205-1124

**SUBJECT:** Approve an Amendment to Lease Agreement No. 31377 with Genoa Healthcare, LLC

### **REQUEST(S):**

That the Board of Supervisors:

1. Approve an Amendment to Lease Agreement No. 31377 with Genoa Healthcare LLC, a Limited Liability Company, as Subtenant, and County as Sublandlord, to correct the pharmacy address to its officially designated address of 522 E. Tulare Ave., Visalia, as assigned by the City of Visalia, and to adjust the rent to an amount reflective of and equivalent to the annual rent increases and the rate per square foot required under the Prime Lease, of space located within 520 E. Tulare Ave., Visalia, retroactive to October 1, 2023. This Amendment is retroactive due to the time necessary to negotiate the new terms of the Agreement.
2. Find that the Board had the authority to enter into the proposed Amendment as of October 1, 2023, and that it is in the County's best interest to enter into the Amendment on that date.
3. Authorize the Chair to sign the Amendment.

### **SUMMARY:**

The County entered into Lease Agreement No. 25690 on September 18, 2012 (Prime Lease) with Joe and Cora Gong Family Limited Partnership, a California Limited Partnership, and the Tom and Sarah Gong Family Limited Partnership, a California Limited Partnership, for the construction and lease of office space of the Health and Human Services Agency (HHSA) Mental Health Branch at 520 E Tulare Ave., Visalia, commonly known as the Visalia Adult Integrated Clinic, the Premises, and 822 S. Santa Fe St, Visalia (readdressed as 942 S. Santa Fe St., Visalia), known as Alcohol and Other Drug Prevention, Treatment, and Recovery, for a term of seven (7) years effective upon completion of improvements and ending September 30, 2020. The title of the real property was transferred to Fairway Properties, LLC, on November 25, 2014, now

**SUBJECT:** Approve an Amendment to Lease Agreement No. 31377 with Genoa Healthcare, LLC

**DATE:** March 18, 2025

referred to as the Lessor. A Vicinity Map of the property is attached to this Agenda Item as Exhibit 1.

The Prime Lease was amended on June 14, 2016, and January 10, 2017, to provide for tenant improvements to the premises. The Prime Lease entered into holdover status on October 1, 2020. On February 23, 2021, the previously mentioned agreement was terminated, as the parties negotiated a new lease agreement under Agreement No. 30089 for a five (5) year term, with two (2) five (5) year options to renew. The Prime Lease was amended on July 9, 2024, for the installation of new flooring, alterations to the caged parking area, and adjustments to the lighting and HVAC in order to prepare for the addition of artificial interior walls.

Staff negotiated a sublease agreement with Genoa Healthcare, LLC to construct and occupy a pharmacy within the Premises, to offer prescription services to HHSA's clients. On September 12, 2023, the County entered into Agreement No. 31377, for the sublease of a 779 sq ft portion of the Premises, for a term of three (3) years, with one (1), one (1) year option to renew, with a monthly rental rate of \$1,443.01 (\$1.85 per sq ft). The rental rate for the Sublease was intended to mirror the rates per sq ft established in the Prime Lease, therefore offsetting the Sublandlords rental costs under the Prime Lease. However, a delay in the Subtenant's commencement of operations impacted the implementation of scheduled rate increases, which were due October 1, 2023, and October 1, 2024. The operation of the pharmacy began on October 7, 2024. Due to the delayed commencement of operations, the Sublease rental amount is in arrears by an amount equivalent to four percent (4%).

The proposed Amendment to Agreement No. 31377 is to correct the pharmacy address to its officially designated address of 522 E. Tulare Ave., Visalia, as assigned by the City of Visalia, and to adjust the rent increases required under the Prime Lease, retroactive to October 1, 2023, from \$1,443.01 to \$1,501.31 per month. All other terms and conditions of the Sublease shall remain in full force and effect. This agreement is retroactive to satisfy the enumerated requirements per Code of Federal Regulations § 411.353:

1. The lease arrangement must be in place for at least one year before amending or entering into a new lease arrangement for the same space.
2. The rental charges over the term of the lease arrangement are set in advance and are consistent with fair market value

**FISCAL IMPACT/FINANCING:**

The sublease cost will be \$1,501.31 / \$1.96 per sq ft per month (\$17,765.50 annually), retroactive to October 7, 2024, when the pharmacy began operations, and is subject to an annual 2% increase every October 1st. The Subtenant will be responsible for maintenance inside the Premises and will be billed separately each month for their prorated share of utilities used. The Prime Landlord will continue maintenance responsibilities to the building, parking areas, and landscaping.

**SUBJECT:** Approve an Amendment to Lease Agreement No. 31377 with Genoa Healthcare, LLC

**DATE:** March 18, 2025

Monthly rent will be deposited into Budget Account Line 001-087-3012-4807.

The costs for this facility are covered by HHSA's State and Federal allocations. There will be no additional Net County Cost to the General Fund.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

The County's Strategic Business Plan includes the Quality of Life Initiative to promote public health and welfare. Board approval of the sublease agreement will help fulfill this initiative by ensuring supportive services for Health and Human Services Agency's clients located in Tulare County.

**ADMINISTRATIVE SIGN-OFF:**

**/s/Brooke Sisk**

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Brooke Sisk  
General Services Agency Director

Cc: County Administrative Office

Attachments:

Amendment to Lease Agreement No. 31377

Exhibit 1 – Vicinity Map

**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF Approve an )  
Amendment to Lease Agreement No. ) Resolution No. PULLED FROM AGENDA  
31377 with Genoa Healthcare, LLC ) Agreement No. 31377  
)  
)

UPON MOTION OF SUPERVISOR \_\_\_\_\_, SECONDED BY  
SUPERVISOR \_\_\_\_\_, THE FOLLOWING WAS ADOPTED BY THE  
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD \_\_\_\_\_  
\_\_\_\_\_, BY THE FOLLOWING VOTE:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

ATTEST: JASON T. BRITT  
COUNTY ADMINISTRATIVE OFFICER/  
CLERK, BOARD OF SUPERVISORS

BY: \_\_\_\_\_  
Deputy Clerk

\* \* \* \* \*

1. Approved an Amendment to Lease Agreement No. 31377 with Genoa Healthcare LLC, a Limited Liability Company, as Subtenant, and County as Sublandlord, to correct the pharmacy address to its officially designated address of 522 E. Tulare Ave., Visalia, as assigned by the City of Visalia, and to adjust the rent to an amount reflective of and equivalent to the annual rent increases and the rate per square foot required under the Prime Lease, of space located within 520 E. Tulare Ave., Visalia, retroactive to October 1, 2023. This Amendment is retroactive due to the time necessary to negotiate the new terms of the Agreement.
2. Found that the Board had the authority to enter into the proposed Amendment as of October 1, 2023, and that it is in the County’s best interest to enter into the Amendment on that date.
3. Authorized the Chair to sign the Amendment.

## FIRST AMENDMENT TO COMMERCIAL SUBLEASE

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This Amendment to Commercial Sublease (this “***Amendment***”) is made and entered into as of \_\_\_\_\_, 2025, by and between County of Tulare (“***Sublandlord***”) and Genoa Healthcare LLC (“***Subtenant***”). Sublandlord and Subtenant are together “Parties” to this agreement, which is made with reference to the following:

WHEREAS, on September 12, 2023, Sublandlord and Subtenant entered into Tulare County Agreement No. 31377 (the “Sublease”) for the sublease of a 779 sq ft portion of the Premises, for a term of three (3) years, with one (1), one (1) year option to renew.

WHEREAS, Subtenant completed improvements and alterations to the Premises pursuant to the Sublease, and commenced operations on October 7, 2024.

WHEREAS, the rental rate for the Sublease was intended to mirror the rates per square foot established in the Prime Lease, therefore offsetting Sublandlord’s rental costs under the Prime Lease. However, a delay in Subtenant’s commencement of operations impacted implementation of scheduled rate increases. Due to the delayed commencement of operations, the Sublease rent amount is in arrears by an amount equivalent to four percent (4%).

WHEREAS, the Parties now desire to amend the Sublease to accurately reflect the correct address of the Subleased Premises, and adjust the rent to an amount reflective of and equivalent to the annual rent increases and the rate per square foot required under the Prime Lease, retroactive to October 1, 2023.

Accordingly, it is agreed as follows:

**Paragraph 1.** of the Sublease is amended as of the date this Amendment is entered into to read, in full, as follows:

“1. The Subleased Premises. The Subleased Premises contains approximately 779 square feet of space located at 522 East Tulare Avenue, Visalia, CA 93292 (the “***Subleased Premises***”) located within the building located at 520 East Tulare Avenue, Visalia, CA (the “***Building***”) as more fully shown in the site plan (“***Site Plan***”) attached hereto as Exhibit A attached hereto. Sublandlord grants to Subtenant access to and use of the common areas (the “***Common Areas***”) in the Building and on the land surrounding the Building (the “***Land***”).”

**Paragraph 6.1.** of the Sublease is amended as of the date this Amendment is entered into to read, in full, as follows:

“6.1. Occupancy. The term of this Sublease shall be for a term of three (3) years, commencing on the Effective Date (the “Initial Term”), and shall be coterminous with the term of the PSA, or through the termination of the Prime Lease, whichever occurs first, unless earlier terminated as provided subsection 6.1(a) below. Unless terminated in accordance hereof, this Sublease shall automatically renew for additional one (1) year renewal terms (each a “Renewal Term,” the Initial term and each Renewal Term are collectively referred to herein as the “Term” under the same terms and conditions set forth herein except that Rent shall be determined in accordance with subsections 7.2 and 7.3

below. Notwithstanding the foregoing, in no event shall this Sublease be extended for a period to constitute a conveyance or subject the parties to transfer tax, the parties agreeing that this Sublease shall terminate automatically prior to such time. Sublandlord covenants and agrees to exercise any and all extension options available to Sublandlord under the Prime Lease, within the notice periods provided therein, necessary for Sublandlord to fulfill its obligations to Subtenant upon the terms set forth in this Sublease, and so that the term of the Prime Lease is at all times at least one (1) day longer than the Term of this Sublease, as some may have been extended.”

**Paragraph 7.1** of the Sublease is amended as of the date this amendment is entered into to read, in full, as follows:

“7.1. Rent. Commencing on the Rent Commencement Date (defined below), during the Initial Term, Subtenant shall pay to the Sublandlord, in advance, on or before the first date of every month, without deduction, set off, prior notice, or demand, as follows:

Year	Period	October 2024 Prorated Rent	Monthly Base Rent	Annual Base Rent
1	October 7, 2024 - September 30, 2025	\$1,251.09	\$1,501.31	\$17,765.50
2	October 1, 2025 - September 30, 2026		\$1,531.34	\$18,376.03
3	October 1, 2026- September 30, 2027		\$1,561.96	\$18,743.56

Rent is based upon arm’s length negotiation between Sublandlord and Subtenant and Subtenant’s assessment of fair market value for similar properties in the market in which the Subleased Premises is located. Rent shall be prorated for any partial month at the rate of 1/30<sup>th</sup> of the month rent per days.”

**Paragraph 7.2** of the Sublease is amended as of the date this amendment is entered into to read, in full, as follows:

“7.2. Rent Commencement Date. The Rent Commencement Date means the date on which Subtenant began operation of a pharmacy in the Sublease Premises, since established as October 7, 2024.”

**Paragraph 7.3** of the Sublease is amended as of the date this amendment is entered into to read, in full, as follows:

“7.3. Annual Rent Adjustments. During the Initial Term and any subsequent Renewal Terms, the Rent shall be increased, automatically, by two percent (2%) every October 1<sup>st</sup>.”

Except as amended, all other terms and conditions of the Sublease shall remain in full force and effect.

[THIS SPACE LEFT INTENTIONALLY BLANK; SIGNATURES FOLLOW ON NEXT PAGE]

**IN WITNESS WHEREOF**, the Parties have executed this Sublease on the dates specified below their respective signatures below:

SUBLANDLORD:

County of Tulare

Signature: \_\_\_\_\_

By: Pete Vander Poel

Its: Chair, Board of Supervisors

Address: 522 East Tulare Avenue  
Visalia, CA 93292

Date: \_\_\_\_\_

SUBTENANT:

Genoa Healthcare LLC

Signature: Todd Gustin  
~~Todd Gustin (Feb 28, 2025 15:25 CST)~~

By: Todd Gustin

Its: Chief Executive Officer

Address: 707 S. Grady Way, Suite 400  
Renton, WA 98057

Date: 02/28/2025

ATTEST: JASON T. BRITT  
County Administrative Office / Clerk of the  
Board of Supervisors

By: \_\_\_\_\_  
Deputy Clerk

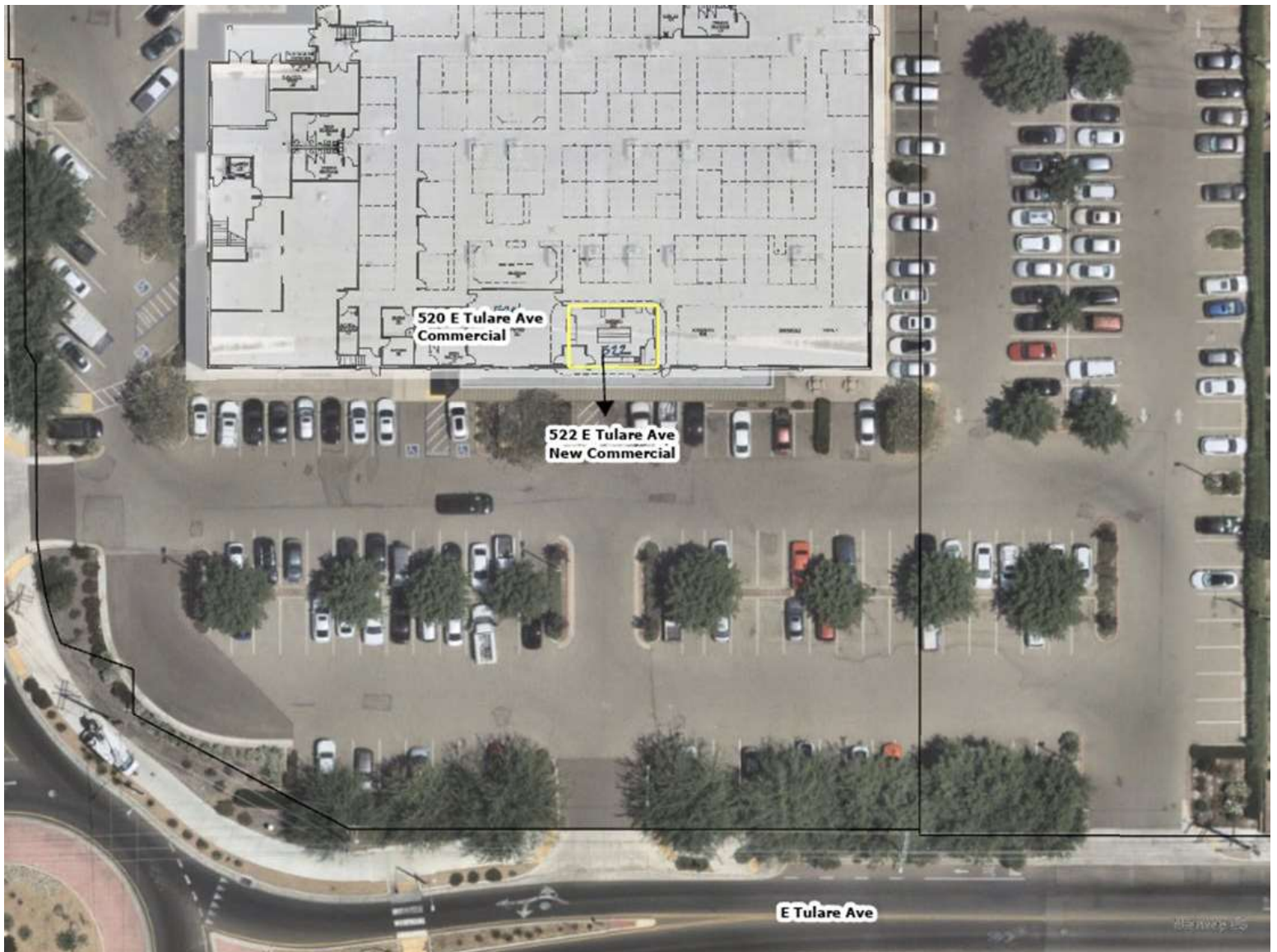
Approved as to form:  
County Counsel

By: David J. Ganez 2/28/2025  
Deputy County Counsel  
Matter ID: 20241905



Exhibit A

Site Plan showing the Subleased Premises



## Exhibit 1

### Vicinity Map 522 E. Tulare Ave., Visalia



**COUNTY OF TULARE**  
**CAMPAIGN CONTRIBUTION DISCLOSURE INFORMATION**

The attached Campaign Contribution Disclosure Form must be completed by applicants for, or persons who are the subject of, any proceeding involving a license, permit, or other entitlement for use, including most contracts and franchises, pending before the Board of Supervisors ("Board") of the County of Tulare or any of its affiliated agencies.

**IMPORTANT NOTICE**

Government Code section 84308 (also known as the "Levine Act") contains requirements that are summarized generally as follows:

- A. If you are an applicant for, or the subject of, any proceeding involving a license, permit, or other entitlement for use, you are prohibited from making a campaign contribution of more than \$250 to any member of the Board of Supervisors or other County official who may participate in your proceeding. This prohibition begins on the date your application is filed or the proceeding is otherwise initiated, and the prohibition ends 12 months after a final decision is rendered by the Board of Supervisors or other County officer. In addition, no Board member or other County official or alternate who may participate in your proceeding may solicit or accept a campaign contribution of more than \$250 from you during this period.
- B. These prohibitions also apply to your agents, and, if you are a closely held corporation, to your majority shareholder as well. These prohibitions also apply to your subcontractor(s), joint venturer(s), and partner(s) in this proceeding. Also included are parent companies and subsidiary companies directed and controlled by you, and political action committees directed and controlled by you.
- C. You must file the attached disclosure form and disclose whether you or your agent(s) have in the aggregate contributed more than \$250 to any Board member or other County officer who may participate in your proceeding during the 12-month period preceding the filing of the application or the initiation of the proceeding.
- D. If you or your agent have in the aggregate contributed more than \$250 to any individual Board member or other County officer who may participate in your proceeding during the 12 months preceding the decision on the application or proceeding, that Board member or other County officer must disqualify himself or herself from the decision. However, disqualification is not required if the Board member or other County official returns the campaign contribution within 30 days from the time the member or official knows, or should have known, about both the contribution and the fact that you are a Party in the proceeding. The Campaign Contribution Disclosure Form should be completed and filed with your application or proposal, or with the first written document you file or submit after the proceeding commences.

1. A proceeding involving “a license, permit, or other entitlement for use” includes all business, professional, trade and land use licenses and permits, and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor or personal employment contracts), and all franchises.
2. Your “agent” is someone who represents you in connection with a proceeding involving a license, permit or other entitlement for use. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or similar business entity, both the business entity and the individual are “agents” for purposes of these rules.
3. To determine whether a campaign contribution of more than \$250 has been made by you, campaign contributions made by you within the preceding 12 months must be aggregated with those made by your agent within the preceding 12 months or the period of the agency relationship, whichever is shorter. Contributions made by your majority shareholder (if a closely held corporation), your subcontractor(s), your joint venturer(s), and your partner(s) in this proceeding must also be included as part of the aggregation. Campaign contributions made to different Board of Supervisors members or other County officer who may participate in your proceeding are not aggregated with contributions to the first Board member but are aggregated as to each Board member or other County officer who may participate in your proceeding.
4. A list of the Board of Supervisors members and other County officials is attached.

This notice summarizes the major requirements of Government Code section 84308 of the Political Reform Act and California Code of Regulations, Title 2 sections 18438.1-18438.8.



**COUNTY OF TULARE**  
**CAMPAIGN CONTRIBUTION DISCLOSURE FORM**

Application or Solicitation Number: \_\_\_\_\_  
Application or Solicitation Title: \_\_\_\_\_

Was a campaign contribution, regardless of the dollar amount, made to any member of the Tulare County Board of Supervisors or to any County Officer, within the last 12 months, by the applicant, or, if applicable, any of the applicant's proposed subcontractors or the applicant's agent or lobbyist?

Yes \_\_\_\_\_ No **x** \_\_\_\_\_

**If no**, please sign and date below.

**If yes**, please provide the following information:

Applicant's Name: \_\_\_\_\_

Contributor(s) or Contributors Firm's Name: \_\_\_\_\_

Contributor(s) or Contributor Firm's Address: \_\_\_\_\_

Is the Contributor: (*check applicable boxes*)

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

The Applicant

Subcontractor

The Applicant's agent/ or lobbyist

Yes

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

No

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

No

No

**Note:** Under California law as implemented by the Fair Political Practices Commission, campaign contributions made by the Applicant and the Applicant's agent/lobbyist who is representing the Applicant in this application or solicitation must be aggregated together to determine the total campaign contribution made by the Applicant.

Identify the Board of Supervisors Member(s) and County Agency Officer(s) to whom you, your subcontractors, and/or agent/lobbyist made campaign contributions, within the last 12 months, the name of the contributor, the dates of contribution(s) and dollar amount of the contribution. Each date must include the exact month, day, and year of the contribution.

Name of Board of Supervisors Member or County Agency Officer: \_\_\_\_\_

Name of Contributor(s): \_\_\_\_\_

Date(s) of Contribution(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

(Please add an additional sheet(s) to identify additional Board Members or County Agency Officer to whom you, your subconsultants, and/or agent/lobbyist made campaign contributions)

By signing below, I certify that the statements made herein are true and correct. I also agree to disclose to the County any future contributions made to Board Members or County Agency Officers by the applicant, or, if applicable, any of the applicant's proposed subcontractors or the applicant's agent or lobbyist after the date of signing this disclosure form, and within 12 months following the approval, renewal, or extension of the requested license, permit, or entitlement to use.

02/07/2025

Date

Genoa Healthcare LLC

Print Firm Name if applicable

Todd Gustin

Todd Gustin (Feb 7, 2025 10:17 CST)

Signature of Applicant

Todd Gustin

Print Name of Applicant

**TULARE COUNTY BOARD OF SUPERVISORS  
AND  
ELECTED COUNTY OFFICERS**

**Board of Supervisors**

Larry Micari, Supervisor, First District  
Pete Vander Poel, Supervisor, Second District  
Amy Shuklian, Supervisor, Third District  
Eddie Valero, Supervisor, Fourth District  
Dennis Townsend, Supervisor, Fifth District

**Elected County Officers**

Tara K. Freitas, Assessor/Clerk-Recorder  
Cass Cook, Auditor-Controller/Treasurer-Tax Collector  
Timothy Ward, District Attorney  
Michael Boudreaux, Sheriff-Coroner

# AR 49 - Levine Disclosure Form (006)

Final Audit Report

2025-02-07

Created:	2025-02-07
By:	Bethany Mitricska (bmitricska@genoahealthcare.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAiG50Yot1d9gmKsqUer_uxaY2i3gCbvT

## "AR 49 - Levine Disclosure Form (006)" History

-  Document created by Bethany Mitricska (bmitricska@genoahealthcare.com)  
2025-02-07 - 1:16:26 PM GMT
-  Document emailed to Todd Gustin (todd.gustin@optum.com) for signature  
2025-02-07 - 1:16:32 PM GMT
-  Email viewed by Todd Gustin (todd.gustin@optum.com)  
2025-02-07 - 4:16:51 PM GMT
-  Document e-signed by Todd Gustin (todd.gustin@optum.com)  
Signature Date: 2025-02-07 - 4:17:34 PM GMT - Time Source: server
-  Agreement completed.  
2025-02-07 - 4:17:34 PM GMT