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Tri-City Mental Health Authority
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Founded by Pomona, Claremont, and La Verne
in 1960



Robin Carder (La Verne), Chair
Jed Leano (Claremont), Vice-Chair
Carolyn Cockrell (La Verne), Board Member
Paula Lantz (Pomona), Board Member
John Nolte (Pomona), Board Member
Elizabeth Ontiveros-Cole (Pomona), Board Member
Ronald T. Vera (Claremont), Board Member

GOVERNING BOARD AGENDA

WEDNESDAY, FEBRUARY 17, 2021

5:00 P.M.

MEETING LOCATION

Pursuant to California Governor's Executive Order N-29-20 (Paragraph 3), adopted as a response to mitigating the spread of Coronavirus (COVID-19), the Governing Board is authorized to hold its public meetings via teleconference and the public seeking to observe and to address the Governing Board may participate telephonically or otherwise electronically. Therefore, this meeting will be held via teleconference. The locations from where the Board Members are participating are not listed on the agenda and are not accessible to the public.

To join the Governing Board meeting click on the following link:

https://webinar.ringcentral.com/webinar/register/WN_8Y_GiMW9T3Ch39HP2L1E0w

Or you may call: 1 (213) 250-5700

Webinar ID: 149 122 1077

Public Participation. Section 54954.3 of the Brown Act provides an opportunity for members of the public to address the Governing Board on any item of interest to the public, before or during the consideration of the item, that is within the subject matter jurisdiction of the Governing Board. Therefore, members of the public are invited to speak on any matter on or off the agenda.

The public can make a comment during general public comments or on a specified agenda item by leaving a voice mail message at (909) 451-6421 or by writing an email to molmos@tricitymhs.org. All voice mail messages and emails received by 3:30 p.m. will be read into the record at the appropriate time. No action shall be taken on any item not appearing on the Agenda. The Chair reserves the right to place limits on duration of comments.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by Tri-City Mental Health Authority to all or a majority of the Tri-City Governing Board less than 72 hours prior to this meeting are available for public inspection at <http://www.tricitymhs.org>

CALL TO ORDER

Chair Carder calls the meeting to Order.

ROLL CALL

Board Member Cockrell, Board Member Lantz, Board Member Nolte, Board Member Ontiveros-Cole, and Board Member Vera; Vice-Chair Leano; and Chair Carder.

POSTING OF AGENDA

The Agenda is posted 72 hours prior to each meeting on the Tri-City’s website: <http://www.tricitymhs.org>

CONSENT CALENDAR**1. APPROVAL OF THE MINUTES FROM THE JANUARY 20, 2021 GOVERNING BOARD REGULAR MEETING**

Recommendation: “A motion to approve the Minutes of the Governing Board Regular Meeting of January 20, 2021.”

2. CONSIDERATION OF RESOLUTION NO. 573 ESTABLISHING FULL SERVICE PARTNERSHIP (FSP) SERVICES POLICY AND PROCEDURE NO. IV.12, EFFECTIVE FEBRUARY 17, 2021

Recommendation: “A motion to adopt Resolution No. 573 establishing Policy and Procedure No. IV.12 –Full Service Partnership (FSP) Services, effective February 17, 2021.”

NEW BUSINESS**3. CONSIDERATION OF RESOLUTION NO. 574 APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A DISPOSITION AND DEVELOPMENT AGREEMENT WITH RESTORE NEIGHBORHOODS, LA, INC. FOR THE DEVELOPMENT, CONSTRUCTION, FINANCING, AND OPERATION OF 15 UNITS OF COMBINED AFFORDABLE AND PERMANENT SUPPORTIVE SENIOR HOUSING PROJECT AT ITS PROPERTY LOCATED AT 956 W BASELINE ROAD IN CLAREMONT, CALIFORNIA**

Recommendation: “A motion to adopt Resolution No. 574 approving and authorizing the Executive Director to enter into, and execute a Disposition and Development Agreement with RNLA for the development, construction, financing, and operation of 15 units of combined affordable and permanent supportive senior housing project, at its property located at 956 W. Baseline Road in Claremont, California.

4. CONSIDERATION OF RESOLUTION NO. 575 AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A MOU WITH THE CITY OF CLAREMONT FOR COMMUNITY RESPONSE SERVICES

Recommendation: “A motion to adopt Resolution No. 575 approving a Memorandum of Understanding with the City of Claremont to establish and implement PACT, a community response services collaboration of Tri-City and Claremont Police Department; and authorizing the Executive Director to execute the MOU.”

MONTHLY STAFF REPORTS

- 5. TONI NAVARRO, EXECUTIVE DIRECTOR REPORT**
- 6. DIANA ACOSTA, CHIEF FINANCIAL OFFICER REPORT**
- 7. ANGELA IGRISAN, CHIEF CLINICAL OFFICER REPORT**
- 8. SEEYAM TEIMOORI, MEDICAL DIRECTOR REPORT**
- 9. RIMMI HUNDAL, DIRECTOR OF MHSA AND ETHNIC SERVICES REPORT**
- 10. NATALIE MAJORS-STEWART, CHIEF COMPLIANCE OFFICER REPORT**

Recommendation: “A motion to receive and file the month of February staff reports.”

GOVERNING BOARD COMMENTS

Members of the Governing Board may make brief comments or request information about mental health needs, services, facilities, or special problems that may need to be placed on a future Governing Board Agenda.

PUBLIC COMMENT

The public can make a comment during general public comments or on a specified agenda item by leaving a voice mail message at (909) 451-6421 or by writing an email to molmos@tricitymhs.org. All voice mail messages and emails received by 3:30 p.m. will be read into the record at the appropriate time. No action shall be taken on any item not appearing on the Agenda. The Chair reserves the right to place limits on duration of comments.

ADJOURNMENT

The next Regular Meeting of the Governing Board will be held on **Wednesday, March 17, 2021 at 5:00 p.m.**, via teleconference due to the COVID-19 pandemic.

MICAELA P. OLMOS
JPA ADMINISTRATOR/CLERK



MINUTES
REGULAR MEETING OF THE GOVERNING BOARD
JANUARY 20, 2021 – 5:00 P.M.

The Governing Board held on Wednesday, September 16, 2020 at 5:02 p.m. its Regular Meeting Via Teleconference pursuant to California Governor Newsom Executive Order N-25-20 wherein he suspended certain provisions of the Brown Act to allow the continuation to hold meetings without gathering in a room in an effort to minimize the spread and mitigate the effects of COVID-19 (Corona Virus Disease of 2019).

CALL TO ORDER Chair Carder called the meeting to order at 5:02 p.m.

ROLL CALL Roll call was taken by JPA Administrator/Clerk Olmos.

GOVERNING BOARD

PRESENT: Robin Carder, City of La Verne, Chair
Jed Leano, City of Claremont, Vice-Chair
Carolyn Cockrell, City of La Verne, Board Member
Paula Lantz, City of Pomona, Board Member
John Nolte, City of Pomona, Board Member
Elizabeth Ontiveros-Cole, City of Pomona, Board Member
Ronald T. Vera, City of Claremont, Board Member (joined at 5:05 pm)

ABSENT: None.

STAFF: Toni Navarro, Executive Director
Darold Pieper, General Counsel (joined at 5:15 p.m.)
Angela Igrisan, Chief Clinical Officer
Seeyam Teimoori, Medical Director
Rimmi Hundal, Director of MHSA & Ethnic Services
Natalie Majors-Stewart, Chief Compliance Officer
Mica Olmos, JPA Administrator/Clerk

OATH OF OFFICE

An Oath of Office was administered to newly appointed Governing Board Member John Nolte – City of Pomona Council Member by JPA Administrator Olmos.

CONSENT CALENDAR

There being no comment, Vice Chair Leano moved, and Board Member Cockrell seconded, to approve the Consent Calendar. The motion was carried, with Board Member Nolte abstaining only on Item No. 1 -the approval of the Minutes of December 16, 2020 Joint Meeting, by the following vote: AYES: Board Members Cockrell, Lantz, Nolte, Ontiveros-Cole, and Vera; Vice-Chair Leano; and Chair Carder. NOES: None. ABSTAIN: None. ABSENT: None.

AGENDA ITEM NO. 1

1. APPROVAL OF THE MINUTES OF THE GOVERNING BOARD AND MENTAL HEALTH COMMISSION JOINT MEETING OF DECEMBER 16, 2020

Recommendation: “A motion to approve the Minutes of the Governing Board and Mental Health Commission Regular Joint Meeting of December 16, 2020.”

2. CONSIDERATION OF RESOLUTION NO. 570 ADOPTING TRI-CITY MENTAL HEALTH AUTHORITY CORONAVIRUS PREVENTION PROGRAM (CPP) AS REQUIRED UNDER THE CALIFORNIA OCCUPATIONAL SAFETY AND HEALTH ACT (LABOR CODE §§ 6300, ET SEQ.) AND ASSOCIATED REGULATIONS (8 C.C.R. § 3205)

Recommendation: “A motion to adopt Resolution No. 570 establishing Tri-City’s Coronavirus Prevention Program effective January 20, 2021.”

3. CONSIDERATION OF RESOLUTION NO. 571 ESTABLISHING SIGNATORIES FOR COMMERCIAL BANKING ACCOUNTS AND RETIREMENT ACCOUNTS EFFECTIVE JANUARY 20, 2021.

Recommendation: “A motion to adopt Resolution No. 571 establishing revised Signatories for Commercial Banking Accounts and Retirement Accounts, effective January 20, 2021.”

NEW BUSINESS

4. CONSIDERATION OF RESOLUTION NO. 572 APPROVING A RELOCATION PLAN FOR TENANTS AT TRI-CITY’S PROPERTY LOCATED AT 956 W BASELINE ROAD IN CLAREMONT, CALIFORNIA; AND AUTHORIZING AN AMENDMENT TO FISCAL YEAR 2020-21 BUDGET BY INCREASING MHSA CSS SPECIFIC PROGRAM COSTS: CLIENT SUPPORT COSTS IN THE AMOUNT OF \$110,000

Executive Director Navarro wished happy January 2021 to everyone; then provided background information regarding Tri-City’s property located on Baseline in Claremont; she indicated that the property was purchased with the intent to develop permanent supportive housing in partnership with a housing developer; that it took some time to find the right project, but during this time the house at the permanent supportive housing site had a tenant, a family of nine, for approximately two years, and as we move closer to finalizing the senior housing project with RNLA and Genesis LA, it is time to relocate the family according to state regulations; that Tri-City sought the services of a firm to prepare a relocation plan for the tenant; discussed the requirements under the relocation plan and stated that it was being presented to the Governing Board for its approval.

Discussion ensued regarding the options the tenant has under the relocation plan, which includes Tri-City being responsible for paying the tenant’s rent for up to 42 months, or the tenant can opt for receiving a lump sum payment to make a down payment on a purchase of a house; however, it was noted that this will be the tenant’s decision.

There being no further discussion, Board Member Nolte moved, and Board Member Cockrell seconded, to adopt Resolution No. 572 approving the Relocation Plan created by Overland, Pacific, & Cutler LLC.; and authorizing an Amendment to FY 2020-21 budget by increasing MHSA CSS Specific Program Costs: Client Support Costs in the amount of \$110,000. The motion was carried by the following vote: AYES: Board Members Cockrell, Lantz, Nolte, Ontiveros-Cole, and Vera; Vice-Chair Leano; and Chair Carder. NOES: None. ABSTAIN: None. ABSENT: None.

5. CONSIDERATION OF PROCLAMATION THAT RACISM IS A PUBLIC HEALTH CRISIS THAT RESULTS IN DISPARITIES IN FAMILY STABILITY, HEALTH AND MENTAL WELLNESS, EDUCATION, EMPLOYMENT, ECONOMIC DEVELOPMENT, PUBLIC SAFETY, CRIMINAL JUSTICE, AND HOUSING

Director of MHSA & Ethnic Services Hundal wished everyone a happy new year; then stated that black, indigenous, and persons of color are called BIPOC communities in California; that these communities are disproportionately overrepresented in the Medi-Cal delivery system; that as the mental health authority, Tri-City plays a crucial role in serving BIPOC persons and their families; that staff is seeking Governing Board approval of Proclamation affirming that racism is a public health crisis that results in disparities, in education, employment, economic development, public safety, criminal justice, family stability, physical health, mental wellness, and housing; she pointed out that one of Tri-City's top values is "Improving the accessibility of mental health programs for unserved and underserved communities and the diversity represented by quality staff"; that Tri-City's approach is instrumental in overcoming cultural and economical barriers to service by respecting the values and beliefs embedded in each individual; that institutional and structural racism and injustice have held and have led to deep and persistent racial disparities across all sectors and have had lasting negative consequences; that racism not only directly impacts our clients and participants that we serve, it also impacts us as professionals; discussed the importance of self-awareness and how we come across as professionals in order to serve them better; and that by acknowledging and proclaiming that systemic racism not only exists, but that it is a public health crisis and continuously impacts the daily lives of black Americans and communities of color, serves to set race and social equity as a priority and framework for Tri-City's efforts.

Chair Carder reported that the Board received a public comment from Christina Vera, President of NAMI Pomona Valley, expressed support for this Proclamation; and had indicated that NAMI passed a resolution in support of the sentiment that racism is a public health crisis.

Board Member Nolte referred to the Proclamation wherein Tri-City indicates it will actively participate in the dismantling of racism by promoting equity through policies to be considered by the Governing Board, and inquired what policies will be coming forward, expressing wanting to know what to expect. Director of MHSA & Ethnic Services Hundal replied that staff will review policies and some will be revised and presented to the Governing Board in the near future. Executive Director Navarro added that specifically, policies will be reviewed which might result in adding language to correct vague or not strong enough wording that endorse our position of equity and social justice, and how we hire, recruit and maintain staff; and how we have access in terms of services such as telehealth. Board Member Nolte then expressed excitement for being back again on the Tri-City Governing Board, and commented that one of his proudest moments in his first term was what we were able to accomplish; that he wished to bring out, in relationship to this Proclamation, the discussion between policing and mental health and help make police more efficient to free up resources from police for the effective use in our communities for mental health; that he thinks Tri-City plays a huge role in this area in advancing that conversation; and that he supports increasing access.

Executive Director Navarro stated that staff will present at the next Board meeting a Memorandum of Understanding between Tri-City and the City of Claremont about an enhanced program that specifically addresses that issue; and stated that during last month's Board Meeting staff reported the ongoing and increased collaboration between Tri-City and the Pomona Police Department, noting the PPD openness to ask Tri-City for training.

Vice-Chair Leano spoke in support of this Proclamation and thanked Ms. Hundal for her work in advancing it to the Board; he then concurred with Board Member Nolte's comments regarding not just saying that we are opposed to institutional racism, which effects public health, but to actually indicate the things we are going to do as a Board; he commented that we can do the continued attention and focus in the mental health space on the issue of homelessness and affordable housing, discussing homeless demographics in Los Angeles County; that to get directly to the effects of institutional racism, we need look to the fact that people of color disproportionately constitute those who are impacted by our dire housing crisis and the need for more affordable housing; that we have to make sure that high resource communities, like Claremont, are doing their part in offering affordable housing opportunities for people of the Tri-City area; and indicated that the City of Claremont is committed to making sure that we are a part of the solution to this problem; and thanked Board Member Nolte for his comments. Director of MHSA & Ethnic Services Hundal stated that Tri-City began with trainings on implicit bias first with Tri-City staff, and now we are having more dialogues led by Dr. Allen Lipscomb which will take us beyond implicit bias.

Chair Carder inquired if there were any discussion regarding trainings with the City of La Verne Police Department. Director of MHSA & Ethnic Services Hundal replied in the affirmative, noting that she, the Chief of Police, and the Police Captain are part of the new culturally diversity committee that was formed in the city, noting that they have started off with implicit bias training as well; and the Police Chief being part of the group, Tri-City is in communication with them regarding their needs and Tri-City will make sure to do the trainings for them.

Board Member Vera expressed support for Vice-Chair Leano's comments.

There being no further discussion, Board Member Nolte moved, and Board Member Ontiveros-Cole seconded, to issue a Proclamation that Racism is a Public Health Crisis. The motion was carried by the following vote: AYES: Board Members Cockrell, Lantz, Nolte, Ontiveros-Cole, and Vera; Vice-Chair Leano; and Chair Carder. NOES: None. ABSTAIN: None. ABSENT: None.

6. ELECTION OF OFFICERS FOR THE 2021 CALENDAR YEAR AS REQUIRED BY THE JOINT POWERS AGREEMENT BETWEEN THE CITIES OF POMONA, CLAREMONT, AND LA VERNE

There being no discussion, Board Member Vera moved, and Vice-Chair Leano seconded, to re-elect City of La Verne Council Member Robin Carder as Chairperson to Tri-City's Governing Board. The motion was carried by the following vote: AYES: Board Members Cockrell, Lantz, Nolte, Ontiveros-Cole, and Vera; Vice-Chair Leano; and Chair Carder. NOES: None. ABSTAIN: None. ABSENT: None.

Board Member Vera then moved, and Chair Carder seconded, to re-elect City of Claremont Council Member Jed Leano as Vice-Chairperson to Tri-City's Governing Board. The motion was carried by the following vote: AYES: Board Members Cockrell, Lantz, Nolte, Ontiveros-Cole, and Vera; Vice-Chair Leano; and Chair Carder. NOES: None. ABSTAIN: None. ABSENT: None.

7. TONI NAVARRO, EXECUTIVE DIRECTOR REPORT

Executive Director Navarro announced that on Saturday afternoon she learned that Mary Hendrickson, one of our beloved and longtime staff, had died over the weekend; that she had been with Tri-City since October of 2010; that she was one of the first Wellness Advocates that

we hired part-time in our temporary wellness center and quickly became a beloved staff member and colleague; that she had a very distinctive, beautiful voice; that she was always willing to share her story and her journey of recovery in such a powerful and passionate and way that really helped others, not just her clients and participants, but also staff; that along her career with Tri-City, she became a full-time employee at the 2008 Garey site; that she is going to be missed very much; and that staff members were invited to attend the meeting if they wished to honor Mary.

Director of MHSA and Ethnic Services talked about Mary's successes, noting that hearing Mary share them, made staff confirm the reason they are here; that Mary was also a part of Tri-City's Cultural Diversity And Inclusion Committee, and brought the voice of consumers in the group; that everyone remembers Mary fondly. Executive Director Navarro added that her family is also in attendance, including her son Robert and his family, her daughter Irene and her family; and said that everyone at Tri-City loved their mom Mary and were very honored to work with her.

JPA Administrator Olmos read the following comments from family and co-workers from the chat room: Elizabeth Renteria: "condolences to the Tri-City Team"; Elva Neyoy: "Mary will be always alive in our hearts"; Emmanuel Arroyo: "that's my nana, I love her and miss her"; Robert and Family: "We will always miss you mom, lover your son"; Joseph Lee: "son in law Jojo is here...thank you for this"; Angela Igrisan: "It's such an honor to have you all members of Mary's family. Thank you for celebrating her life with us"; Irene: "I love you nana please watch over us - youngest granddaughter".

Executive Director Navarro added that Clanisha Johnson was Mary's office co-worker and she said that she will miss her office buddy. She then reported that she had hired Tri-City's new Chief Clinical Officer Elizabeth Renteria, and discussed her background and qualifications; noting that Angela Igrisan has extended her retirement to help with the transition during Covid.

8. DIANA ACOSTA, CHIEF FINANCIAL OFFICER REPORT

Executive Director Navarro announced that Chief Financial Officer Acosta was not in attendance today; inquired if the Board had any questions about her report; and reported that staff will be working with the Governing board about the celebration in connection with the planned final bankruptcy payment.

9. ANGELA IGRISAN, CHIEF CLINICAL OFFICER REPORT

Chief Clinical Officer Igrisan thanked Mary Hendrickson's family for coming, and pointed out that Mary was just a joy and it was so much fun hearing her stories; and reminded them that Tri-City staff was there for them if they needed us. She then welcomed Board Member Nolte; and then reported that the clinical department has rejoined Tri-City's navigators at the Sheraton COVID isolation center, since Tri-City was asked again by the Los Angeles to have a clinical member there; that staff are still involved with the Pomona Health Center, called the wellness community, a partnership program with the Los Angeles County Department of Public Health; that Tri-City's staff member is still conducting groups and activities virtually which are offered to the public for free; and discussed the various support groups developed despite what is been happening with pandemic and public health. Lastly, she announced that this was her last Governing Board meeting since Ms. Renteria is already stepping into her role; that it has been a pleasure and honor to serve the residents of Claremont, Pomona and La Verne, noting that she extended her time at Tri-City to be able to help during the pandemic; and thanked the Governing Board for their support for our constituents and our staff in keeping us safe during the pandemic.

Discussion ensued about Angela Igrisan plans after retirement, and the Board gave her accolades for her work at Tri-City.

10. SEEYAM TEIMOORI, MEDICAL DIRECTOR REPORT

Medical Director Teimoori thanked Angela for her service, and welcomed Board Member Nolte and the new Chief Clinical Officer. He then reported that he had shared some of the data of our services in his report, and pointed out that staff had been trying to balance their exposure to patients for safety reasons for both the client and staff members, ensuring that all the necessary services are done in connection with outreach services and supplemental crisis calls.

11. RIMMI HUNDAL, DIRECTOR OF MHSA AND ETHNIC SERVICES REPORT

Director of MHSA & Ethnic Services Hundal thanked the Governing Board for approving the Proclamation; reported that Tri-City has formed a book club and are reading a book titled “So You Want To Talk About Race”; announced that the African American Family and Wellness Advisory Council is hosting a webinar on Thursday, February 18th at 6:00 PM in order to celebrate black history month; that it is the time of the year when we do our community wellbeing grants and communities can apply for a maximum of \$10,000 for up to three years, noting the mandatory bidders conference will take place on February 14th and February 25th; that Green Ribbon Week is also coming up on the 3rd week of March which is Tri-City’s Stigma Reduction Campaign; shared a success story about the peer mentor program; and announced and that tomorrow the workgroup for Innovations will meet, and staff will bring back to the Board what ideas staff is hearing from the community.

12. NATALIE MAJORS-STEWART, CHIEF COMPLIANCE OFFICER REPORT

Chief Compliance Officer Majors-Stewart reported that staff had been in collaboration with the LA Department of Mental Health in order to develop a strategy for Tri-City to retain autonomy over the prior authorization process for services; that one of the newer services that has been in implementation for about the last three or four years now requires a prior authorization, the intensive home-based rehabilitation service; that since Tri-City is not a contract provider for LA, but rather the mental health authority for the three cities, we really want and we are pushing to implement this modification to retain the authority because it is going to allow us to have autonomy over who we serve and the services we provide, and help remove barriers to service delivery issues, such as delays and waiting for authorizations to go through; and noted that this is a collaborative process and it is slower moving than staff anticipated it was going to be.

Discussion ensued regarding Tri-City’s ongoing efforts to maintain its autonomy and the support Tri-City has from John Sherin, the head of LACDMH.

There being no further comment, Vice-Chair Leano moved, and Board Member Cockrell seconded, to receive and file the month of January staff reports. The motion was carried by the following vote: AYES: Board Members Cockrell, Lantz, Nolte, Ontiveros-Cole, and Vera; Vice-Chair Leano; and Chair Carder. NOES: None. ABSTAIN: None. ABSENT: None.

GOVERNING BOARD COMMENTS

Board Member Vera welcomed Board Member Nolte; and asked for an update regarding how staff is dealing with the COVID crisis in terms of its own mental health; and discussed how Pomona Valley Hospital staff is being affected by COVID-19.

Executive Director Navarro briefly shared about Tri-City staff has been going through, noting that Tri-City's EAP -Employment Assistance Program, a counseling program, has been activated and is available to our staff; and thanked the Governing Board for the continuous support provided in the accommodations made early on in the pandemic.

Board Member Ontiveros-Cole reported that she will be vaccinating people, on a volunteer basis, at the Fairplex on Friday; noting that they are in desperate need of nurses and encouraged everyone to spread the word.

PUBLIC COMMENT

Executive Director Navarro read the following comments from chat room: Rachel "Thank you for being good to my mom she loved working there and her coworkers, her daughter Christina"; Ernest Avila: "Mary was my client back in 2006 and I had the opportunity to work with Mary. Mary was very sweet and enjoyed working she also became part of my Bridge group and had some goals of going to school but I worked with her to until the Wellness Center and when they were hiring I encouraged her to apply but she had a lot of fears. I seen a lot of potential in her and she became a successful employees"; Joseph Lee: "just so all of you know, working there was a proud time of her life on weekends at our house she filed if in on everything and please let her clients know she loved them and did everything she could to give them help they all needed, it was very important to her...thank you all"; Elva Neyoy: "Mary was always participating with a big smile during NAMI Walks and Pomona Parades too! We enjoyed those events together!".

ADJOURNMENT

At 6:04 p.m., on consensus of the Governing Board its meeting of January 20, 2021 was adjourned. The next Regular Meeting of the Governing Board will be held on Wednesday, February 17, 2021 at 5:00 p.m., via teleconference due to the COVID-19 pandemic.

Micaela P. Olmos, JPA Administrator/Clerk



**Tri-City Mental Health Authority
AGENDA REPORT**

DATE: February 17, 2021

TO: Governing Board of Tri-City Mental Health Authority

FROM: Toni Navarro, LMFT, Executive Director

BY: Natalie Majors-Stewart, Chief Compliance Officer

SUBJECT: Consideration of Resolution No. 573 Establishing Full Service Partnership (FSP) Services Policy and Procedure No. IV.12, Effective February 17, 2021

Summary:

The development of new policies is required at times, in order to set expectations and ensure compliance with the most current regulations, internal processes, standards of care, and best practices. Policy and Procedure No. IV.12 -Full Service Partnership (FSP) Services- has been developed and drafted in order to officially document the policies and procedures for Full Service Partnership Services.

Background

Title 9 of the California Code Regulations specifies the standards and requirements for programs and/or services provided with Mental Health Services Act (MHSA) funds. The requirements for the Full Service Partnership Services Category are outlined in Chapter 14, Article 6. The Full-Service Partnership (FSP) Services Policy No. IV.12, formally documents the policies and procedures that guide requirements for Full Service Partnership services at Tri City Mental Health Authority. A draft of the new policy and procedure is included for Governing Board review and approval.

Funding

None Required.

Recommendation

Staff recommends that the Governing Board adopt Resolution No. 573 establishing the Full Service Partnership (FSP) Services Policy and Procedure No. IV.12, effective February 17, 2021.

Attachments

Attachment 2-A: Resolution No. 573 - DRAFT

Attachment 2-B: FSP Services Policy and Procedure No. IV.12, effective 02-17-2021

AGENDA ITEM NO. 2

RESOLUTION NO. 573

A RESOLUTION OF THE GOVERNING BOARD OF THE TRI-CITY MENTAL HEALTH AUTHORITY ESTABLISHING THE AUTHORITY'S FULL SERVICE PARTNERSHIP (FSP) SERVICES POLICY AND PROCEDURE NO: IV.12, EFFECTIVE FEBRUARY 17, 2021

The Governing Board of the Tri-City Mental Health Authority ("Authority") does resolve as follows:

1. Findings. The Governing Board hereby finds and declares the following:

A. Tri-City Mental Health Authority ("TCMHA" or "Authority") wishes to establish guidelines for participation, implementation, and compliance with Title 9 of the California Code Regulations, Chapter 14, Article 6, which specify the standards and requirements for the Full Service Partnership Services Category under Mental Health Services Act (MHSA).

B. The Authority, through the Full Service Partnership (FSP) Services Policy and Procedure No. IV.12, establishes guidelines for Mental Health Services Act (MHSA) Full Service Partnership services and also provides guidance on the implementation of the requirements.

2. Action

The Governing Board approves the Authority's Full Service Partnership (FSP) Services Policy and Procedure No. IV.12, effective February 17, 2021.

3. Adoption

PASSED AND ADOPTED at a Regular Meeting of the Governing Board held on February 17, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ROBIN CARDER, CHAIR

APPROVED AS TO FORM:
DAROLD PIEPER, GENERAL COUNSEL

ATTEST:
MICAELA OLMOS, RECORDING SECRETARY

By: _____

By: _____



POLICY & PROCEDURE

SUBJECT: Full Service Partnership (FSP) Services	POLICY NO.: 	EFFECTIVE DATE: 02/17/2021	PAGE: 1 of 6
APPROVED BY: Governing Board Executive Director	SUPERCEDES: New	ORIGINAL ISSUE DATE: 02/17/2021	RESPONSIBLE PARTIES: Chief Clinical Officer Director of MHSA

PURPOSE

To establish guidelines for Mental Health Services Act (MHSA) Full Service Partnership services and to provide guidance on the implementation of the requirements.

DEFINITIONS

- 2.1 **Client:** An individual of any age who is receiving or has received mental health services. For the purposes of this policy, the term “client” includes those who refer to themselves as clients, participants, consumers, survivors, patients or ex-patients (9 CCR § 3200.04).
- 2.2 **Community Service and Supports (CSS):** Community Services and Supports Component or CSS Component means the section of the Three-Year Program and Expenditure Plans that refers to service delivery systems for mental health services and supports for children and youth, transition age youth, adults, and older adults. These services and supports are similar to those found in Welfare and Institutions Code sections 5800 et. seq. (Adult and Older Adult Systems of Care) and 5850 et. seq. (Children's System of Care).
- 2.3 **CSS Flex Funds:** Allocated funds to be used only be used under special circumstances and as a last resort. They are client specific and are only intended to cover the cost of additional and/or alternative supports and services directly related to the client’s service plan that lack funding or for which there is no traditional payment mechanism available.
- 2.4 **Field-based Services:** Services provided in a location that has a different address than the clinic site. Field-based locations include (but are not limited to): Homes, shelters, schools, community locations, social service offices, medical offices, hospitals, churches, parks, and libraries.
- 2.5 **Full-Service Partnership:** The collaborative relationship between the County (or Mental Health Authority) and the client, and when appropriate the client's family, through which the County (or Mental Health Authority) and plans for and provides the full spectrum of community services so that the client can achieve the identified goals. (9 CCR § 3200.130).
- 2.6 **Full-Service Partnership Agreement:** The partnership agreement made between the County (or Mental Health Authority) and the client, to plan for and provide the full spectrum of community services so that the client can achieve the identified goals.



POLICY & PROCEDURE

SUBJECT: Full Service Partnership (FSP) Services	POLICY NO.: IV.12	EFFECTIVE DATE: 02/17/2021	PAGE: 2 of 6
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- 2.7 **Full Spectrum of Community Services:** The mental health and non-mental health services and supports necessary to address the needs of the client, and when appropriate the client's family, in order to advance the client's goals and achieve outcomes that support the client's recovery, wellness and resilience (9 CCR § 3200.150).
- a. Mental health Services and Supports (Include, but are not limited to): Mental health treatment; Peer support; Supportive services to assist the client, and when appropriate the client's family, in obtaining and maintaining employment, housing, and/or education; Wellness centers; Alternative treatment and culturally specific treatment approaches; Personal service coordination/case management to assist the client, and when appropriate the client's family, to access needed medical, educational, social, vocational rehabilitative and/or other community services; Needs assessment; ISSP development; Crisis intervention/stabilization services; Family education services.
 - b. Non-mental health services and supports (Include, but are not limited to): Food; Clothing; Housing, including, but not limited to, rent subsidies, housing vouchers, house payments, residence in a drug/alcohol rehabilitation program, and transitional and temporary housing; Cost of health care treatment; Cost of treatment of co-occurring conditions, such as substance abuse; Respite care.
 - c. Wrap-around services to children in accordance with WIC Section 18250 et. seq.
- 2.8 **Individual Services and Supports Plan* (ISSP):** The plan developed by the client and, when appropriate the client's family, with the Personal Service Coordinator/Care Coordinator to identify the client's goals and describe the array of services and supports necessary to advance these goals based on the client's needs and preferences and, when appropriate, the needs and preferences of the client's family. (9 CCR § 3200.180).
**Individual Services and Supports Plan (ISSP) is also referred to as Client Treatment Plan (CTP).*
- 2.9 **Personal Service Coordinator* (PSC):** The designated service provider that will serve as the single point of responsibility for FSP service coordination for a client. **Personal Service Coordinator (PSC) is also referred to as Care Coordinator*

POLICY

- 3.1 TCMHA shall provide the appropriate Full Service Partnership Services necessary to attain goals identified in the individual services and supports plan (ISSP), for clients with a Full-Service Partnership Agreement.
- 3.2 TCMA shall ensure that Full Service Partnership Services are available to all age groups; i.e., older adults, adults, transition age youth and children/youth, in the Full Service Partnership Service Category.
- 3.3 TCMHA shall ensure that priority for Full Service Partnership Services is given to populations that are unserved.



POLICY & PROCEDURE

SUBJECT: Full Service Partnership (FSP) Services	POLICY NO.: IV.12	EFFECTIVE DATE: 02/17/2021	PAGE: 3 of 6
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- 3.4 TCMHA shall enter into a Full Service Partnership agreement with each client served under the Full-Service Partnership Service Category, and when appropriate the client's family.
- 3.5 TCMHA shall ensure that a Personal Service Coordinator/Case Manager (PSC) is designated for each client (and when appropriate the client's family), that will serve as the single point of responsibility for FSP services. The PSC shall ensure the following:
- That the client/family has access to treatment support, as needed, 24 hours a day/ 7 days a week.
 - That the client has a current and active ISSP or Client Treatment Plan, which shall be developed in collaboration with other agencies that have a shared responsibility for services and/or supports to the client, and when appropriate the client's family.
 - That services are provided in a culturally and linguistically competent manner, and that service providers are trained in linguistic and cultural competence, and have knowledge of available resources within the client's/family's racial/ethnic community.
- 3.6 TCMHA shall have an administrative process in place to ensure that FSP funds are appropriately allocated, monitored, and reported. This process will ensure that:
- The majority of CSS funds are directed to the Full Service Partnership Category.
 - An approval process is maintained for the cost of the full spectrum of community services that are necessary for the client.
 - MHSA funds are only utilized for short-term acute inpatient treatment, for clients in Full Service Partnerships, when the client is uninsured for this service or there are no other funds available for this purpose.
 - MHSA funds are not utilized to pay for the long-term hospital and/or long-term institutional care of FSP clients.

PROCEDURES

Full Service Partnership (FSP) Oversight

- 4.1 The Director of MHSA will ensure that Full Service Partnership Programming is aligned with the fiscal, legal, contract and programmatic requirements.
- 4.2 The Chief Clinical Officer will have oversight for the overall direction of the clinical services and the designated Program Manager(s) will have specific management responsibility for FSP program services.

Referral and Eligibility

- 4.3 A prospective client can be referred for FSP services via a walk-in request, call-in request, or written request.
- An FSP referral form should be utilized to initiate an FSP referral.
 - Completed FSP referral forms should be submitted for screening to determine if a prospective client appears to meet FSP eligibility criteria.



POLICY & PROCEDURE

SUBJECT: Full Service Partnership (FSP) Services	POLICY NO.: IV.12	EFFECTIVE DATE: 02/17/2021	PAGE: 4 of 6
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- 4.4 After eligibility screening, the prospective FSP client will be scheduled for an intake. The intake process will include a full assessment, which will also confirm eligibility and medical necessity.
- a. Eligibility requirements include criteria as outlined in: WIC section 5600.3, CCR Title 9 sections: 3620.05, 1830.205 and 1830.210, and TCMHA policies and procedures.
- 4.5 Designated FSP service providers will outreach to the prospective FSP client until a determination is made as to the individual's appropriateness for and interest in FSP services. If an individual/family does not agree to services or are determined to be inappropriate/ineligible for FSP services, the agency will ensure linkage to other appropriate services, as needed.
- 4.6 In order to be enrolled in FSP, a prospective client must agree to FSP partnership, in addition to meeting eligibility criteria.

Service Provision

- 4.7 Upon FSP enrollment and agreement to FSP partnership, each client will be assigned to a Personal Service Coordinator (PSC). The PSC will hold the primary responsibility for coordinating the direction of FSP services.
- 4.8 All enrolled FSP clients shall have a current and active Individualized Services and Support Plan (ISSP), or Client Treatment Plan, at all times for the duration of the partnership.
- 4.9 FSP services shall be provided to support the objectives of the ISSP/Client Treatment Plan, and services must be carried out in accordance with all other relevant agency policies, procedures, protocols and guidelines.
- 4.10 FSP services shall be provided in the most optimal location(s) to support the client's needs and ISSP/Client Treatment plan objectives, with a primary emphasis on field-based serves provision, when feasible.
- a. Rendering services providers will ensure that services are delivered at the location conducive and comfortable for the client, with the goal of engaging and retain the client in services.
- b. It is the responsibility of the rendering service provider to identify the most appropriate service location code to describe the location in which services were provided.

CSS Flex Funds

- 4.11 Enrolled FSP clients are eligible to have the cost of qualified mental health and non-mental health services/supports covered with CSS Flex Funds.



POLICY & PROCEDURE

SUBJECT: Full Service Partnership (FSP) Services	POLICY NO.: IV.12	EFFECTIVE DATE: 02/17/2021	PAGE: 5 of 6
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- 4.12 The use of CSS Flex Funds is not an entitlement. CSS Flex funds must go through a request/approval process. CSS flex funds should only be requested when:
- The service/support is necessary.
 - The service/support is tied to and advances the client treatment plan (or ISSP).
 - The service/support will help the client achieve outcomes that support recovery, wellness and resilience.
 - There are no other resources or funding options available to meet the need or cover the cost of the need.
- 4.13 CSS Flex Fund expenditures should be requested and approved on case-by-case basis, in accordance with the established approval protocol.

Data and Outcomes

- 4.14 Partnership Outcome data must be gathered for each FSP client at the following intervals:
- Enrollment - A Baseline Partnership Assessment Form (PAF) must be completed and entered into the DCR within 30 days of the FSP Partnership date. A client shall only have one baseline created for each partnership. The only exception to this is if a client is restarting a Partnership more than 12 months after discontinuation/disenrollment from an FSP program.
 - Quarterly - A Quarterly Assessment Form (3M) is completed every 3 months to assess changes for the 3M domains. A 3M assessment must be completed every 3 months but can be collected for the partner status up to 15 days before or 30 days after it is due.
 - Status Change - A Key Event Tracking Form (KET) must be completed each time the agency is reporting a change in status certain categories. These categories include residential status, employment, education, crisis/PMRT, and benefits establishment. A Key Event change includes discontinuation of partnership status.
- 4.15 The PSC will ensure that all required data is being regularly gathered and submitted, for all assigned FSP clients.
- 4.16 Partnership FSP data will be entered into the Data Collection and Reporting (DCR) system that is managed by State of California Department of Health Care Services.
- 4.17 FSP fiscal, program, and outcome data shall be reported annually as part of the MHSA Annual Update and shall include data that demonstrates how FSP services uphold the MHSA values.

REFERENCES

- Welfare and Institutions Code: Division 5. Community Mental Health Services > Part 2. The Bronzan-McCorquodale Act > Chapter 1. General Provisions 5600 - 5623.5]
- California Code of Regulations: Title 9 CCR Division 1 > Chapter 14 > Article 6:
 - § 3620 Full Service Partnership Service Category



POLICY & PROCEDURE

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- b. § 3620.05 Criteria for Full Service Partnerships Service Category
 - c. § 3620.10 Full Service Partnership Data Collection Requirements
 - d. § 3610 General Community Services and Supports Requirements
 - e. § 3200.080 Community Services and Supports Component or CSS Component.
 - f. §1830.205 Medical Necessity Criteria for MHP Reimbursement of Specialty Mental Health Services.
 - g. §1830.210 Medical Necessity Criteria for MHP Reimbursement for Specialty Mental Health Services for Eligible Beneficiaries Under 21 Years of Age.
3. County of Los Angeles – Department of Mental Health: Mental Health Services Act (MHSA) Full Service Partnership (FSP) Guidelines



**Tri-City Mental Health Authority
AGENDA REPORT**

DATE: February 17, 2021

TO: Governing Board of Tri-City Mental Health Authority

FROM: Toni Navarro, LMFT, Executive Director

SUBJECT: Consideration of Resolution No. 574 Authorizing the Executive Director to Execute a Disposition and Development Agreement with Restore Neighborhoods, LA, Inc. for the Development, Financing, and Operation of the Claremont Gardens -combined Senior Affordable and Permanent Supportive Housing- at 956 W Baseline Road in Claremont, California

Summary:

Tri-City's Executive Director is seeking Governing Board approval for the Executive Director to execute a Disposition and Development Agreement with Restore Neighborhoods LA (RNLA) in order to proceed for the planned 15-unit senior housing project to be located at 956 W. Baseline Rd in Claremont.

Background:

On February 19, 2020, Tri-City's Governing Board (Board) adopted Resolution No. 520 authorizing the designation of Tri-City's No Place Like Home (NPLH) Non-Competitive Allocation to GLA in support of its effort to develop an affordable housing project for seniors to be located at Tri-City's property located at 956 Baseline Road in Claremont.

On October 21, 2020, The Board adopted Resolution No. 555 authorizing the Executive Director to enter into a non-binding MOU committing Tri-City to proceed with a future binding agreement to commit the transfer of its property, the contribution of its No Place Like Home (NPLH) Non-Competitive Allocation in the amount of \$1.142 million, and commit to 15 years of additional annual funding as a Capital Operating Reserve Subsidy (COSR) in the amount of \$24k with 3.5% annual increase for Tri-City's eight (8) permanent supportive housing units, after RNLA and GLA have secured all other necessary funding and permissions to build the 15-unit development.

The attached Disposition and Development Agreement, and its Exhibits A-H, are required to be executed in order for Tri-City to formally request and receive its Non-Competitive NPLH allocation and for the project to proceed.

Governing Board of Tri-City Mental Health Authority

Consideration of Resolution No. 574 Authorizing the Executive Director to Execute a Disposition and Development Agreement with Restore Neighborhoods, LA, Inc. for the Development, Financing, and Operation of the Claremont Gardens -combined Senior Affordable and Permanent Supportive Housing- at 956 W Baseline Road in Claremont, California

February 17, 2021

Page 2

Fiscal Impact:

These documents commit Tri-City to: the transfer of its property located at 956 W. Baseline Road in Claremont; a services agreement to provide supportive services to residents at the future 15 unit housing development for 20 years; and to 15 years of additional annual funding as a Capital Operating Reserve Subsidy (COSR) in the amount of \$24k with 3.5% annual increase for Tri-City's eight (8) permanent supportive housing units, after RNLA and GLA have secured all other necessary funding and permissions to build the 15-unit development.

Recommendation:

Tri-City staff recommends that the Governing Board approve Resolution No. and allow the Executive Director to execute the attached documents in order to allow all named parties to proceed in the development of a 15-unit combined affordable housing and permanent supportive housing project for seniors in the City of Claremont to insure that final plans and agreements will be executed well in advance of the deadline for Tri-City and RNLA to apply for the distribution of Tri-City's NPLH Non-Competitive Funds Allocation.

Attachments

Attachment 3-A: Resolution NO. 574 – DRAFT

Attachment 3-B: Disposition and Development Agreement (with its Exhibits A-H)

RESOLUTION NO. 574

A RESOLUTION OF THE GOVERNING BOARD OF THE TRI-CITY MENTAL HEALTH AUTHORITY APPROVING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A DISPOSITION AND DEVELOPMENT AGREEMENT WITH RESTORE NEIGHBORHOODS, LA, INC. FOR THE DEVELOPMENT, CONSTRUCTION, FINANCING, AND OPERATION OF FIFTEEN (15) UNITS OF COMBINED SENIOR AFFORDABLE AND PERMANENT SUPPORTIVE HOUSING AT ITS PROPERTY LOCATED AT 956 W BASELINE ROAD IN CLAREMONT, CALIFORNIA

The Governing Board of the Tri-City Mental Health Authority does resolve as follows:

1. Findings. The Governing Board hereby finds and declares the following:

A. Tri-City Mental Health Authority (“TCMHA or Authority”) adopted Resolution No. 520 on February 19, 2020 designating the Authority’s non-competitive No Place Like Home (NPLH) funds in the sum of \$1,140,736 to develop a low-income housing project for seniors (“Project”), in partnership with the City of Claremont and Genesis LA Economic Growth Corporation.

B. On October 21, 2020, the Authority adopted Resolution No. 555 authorizing a non-binding Memorandum Of Understanding with Restore Neighborhoods LA (RNLA) and Genesis LA Economic Growth Corporation (GLA) to allow for the ongoing planning and negotiations for the Project financing to develop fifteen (15) units for seniors of combined affordable and permanent supportive housing.

C. The Authority owns and will pledge its property and land located at 956 W. Baseline Road in Claremont, California, for the Project.

D. In order to facilitate the Project, the Authority and RNLA have negotiated and coordinate a Disposition And Development Agreement, and its Exhibits A-H, which will allow for the development, construction, financing, and operation of the Project.

2. Action

A. The Authority’s Executive Director is authorized to enter into, execute, and take further actions as necessary and appropriate to implement the Disposition And Development Agreement with RNLA for the development, construction, financing, and operation of fifteen (15) units for seniors of combined affordable and permanent supportive housing project at 956 W. Baseline Road in Claremont, California.

[continued on page 2]

3. Adoption

PASSED AND ADOPTED at a Regular Meeting of the Governing Board held on February 17, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ROBIN CARDER, CHAIR

APPROVED AS TO FORM:
DAROLD PIEPER, GENERAL COUNSEL

ATTEST:
MICAELA P. OLMOS, RECORDING SECRETARY

By: _____

By: _____

DRAFT

DISPOSITION AND DEVELOPMENT AGREEMENT

by and between

TRI-CITY MENTAL HEALTH AUTHORITY,
a California joint powers authority

and

RESTORE NEIGHBORHOODS, LA, INC.,
a California nonprofit public benefit corporation

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (the “Agreement”) is dated as of February 17, 2021 and is entered into by and between the TRI-CITY MENTAL HEALTH AUTHORITY, a California joint powers authority (“TCMHA”), and RESTORE NEIGHBORHOODS, LA, INC., a California nonprofit public benefit corporation (“Developer”).

RECITALS

A. The purpose of this Agreement is to achieve the conveyance to Developer of the existing improvements and land (collectively, the “Property”) currently owned by TCMHA and located at 956 Baseline Road in Claremont, California and the development of fifteen (15) rental housing units thereon. The land is described on Exhibit “A” (the “Land”).

B. The improvements to be completed by Developer pursuant to the terms of this Agreement are hereinafter referred to as the “Improvements”. The Land and the Improvements are collectively referred to herein as the “Project”.

B. The Project is to be used and operated as housing and supportive services for senior adult individuals (and their families) who are homeless or at risk of homelessness and who have a diagnosed severe mental illness.

C. A material inducement to the TCMHA to enter into this Agreement is the agreement by Developer to develop and operate the Project as provided herein, and it is a condition to the conveyance of the Property to Developer that Developer and TCMHA enter into both: (i) a twenty (20) year agreement with TCMHA permitting and requiring TCMHA to provide permanent supportive housing services for the Project; and (ii) a fifty-five (55) year recorded Regulatory Agreement restricting eight (8) of the housing units to persons who are sixty (60) years of age or older (and their family) who have a diagnosed mental illness and are homeless or at risk of homelessness, and whose income (when first becoming an occupant/tenant) is not greater than thirty percent (30%) of area median income (“AMI”) for Los Angeles County, as published by the California Department of Housing and Community Development (“HCD”) providing that such persons/families be charged rent, including a reasonable utility allowance/amount, at no greater than the rent permitted for Extremely Low Income households under California law (i.e., the product of 30 percent times 30 percent of AMI, adjusted for family size appropriate to the unit).

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants contained in this Agreement, the parties hereto agree as follows:

1. DEFINITIONS.

1.1 Definitions. The following capitalized terms used in this Agreement shall have the meanings set forth below:

1.1.1 “Agreement” means this Disposition and Development Agreement.

1.1.2 “Approved Title Exceptions” is defined in Section 2.2.1.

1.1.3 “Building Permit” means, collectively, any and all permits necessary to grade the Land and construct the Improvements that would be issued by the City.

1.1.4 “Certificate of Completion” means the certificate described in Section 3.9.

1.1.5 “City” means the City of Claremont.

1.1.6 “Close of Escrow” is defined in Section 2.1.1.

1.1.7 “Construction Loans” means all loans and grants which, together with Developer’s committed equity funds, will pay the costs in the Project Budget, but shall not include the TCMHA Loan (which is separately addressed in this Agreement and documented pursuant to the terms of this Agreement)

1.1.8 “Default” is defined in Section 6.1.

1.1.9 “Escrow” is defined in Section 2.1.1.

1.1.10 “Escrow Holder” means First American Title Company, 3400 Central Avenue, Suite 100, Riverside CA 92506 or another duly licensed escrow holder mutually selected by the Parties.

1.1.11 “Force Majeure Delay” is defined in Section 6.6.

1.1.12 “Grant Deed” is defined in Section 2.2.2.

1.1.13 “Hazardous Materials” means any chemical, material or substance now or hereafter defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, extremely hazardous waste, restricted hazardous waste, toxic substances, pollutant or contaminant, imminently hazardous chemical substance or mixture, hazardous air pollutant, toxic pollutant, or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Land, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901, et seq. (“RCRA”) The term Hazardous Materials shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR. Part 302) and in any and all amendments thereto in effect as of the Close of Escrow Date; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined

at 42 U.S.C. 2011, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Land, to adjacent properties, or to persons on or about the Land, (ii) which causes the Land to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Land requires investigation, reporting or remediation under any such laws or regulations.

1.1.14 “Holder” is defined in Section 4.2.

1.1.15 “Housing Program Deed of Trust” shall mean a deed of trust and assignment of rents in the form attached hereto as Exhibit “F” (which secures the Housing Program Promissory Note).

1.1.16 “Housing Program Loan” shall mean a permanent loan to be made by TCMHA to Developer as of the Close of Escrow in fifteen (15) consecutive annual disbursements (as provided in Section 2.1.2 hereof) for operating reserves for the Project, which disbursements shall be in the amount of \$24,000 for the first year of operation of the Project, and shall increase by three percent (3%) annually.

1.1.17 “Housing Program Promissory Note” shall mean a promissory note for the Housing Program Loan in the form attached hereto as Exhibit “E”.

1.1.18 “Improvements” means all buildings, landscaping, infrastructure, utilities, and other improvements to be built on the Land, as described in the Scope of Development.

1.1.19 “Land” means the land described on Exhibit “A” attached hereto.

1.1.20 “Party” means any party to this Agreement, and “Parties” means all parties to this Agreement.

1.1.21 “Permitted Exceptions” is defined in Section 2.3.2.

1.1.22 “Plans and Specifications” means all drawings, landscaping and grading plans, engineering drawings, final construction drawings, and any other plans or specifications for construction of the Project.

1.1.23 “Project” means the Land and Improvements.

1.1.24 “Project Budget” is defined in Section 2.3.5.

1.1.25 “Property” means the Land and all existing improvements thereon.

1.1.26 “Regulatory Agreement” means a recordable agreement in the form attached hereto as Exhibit “G”, which has a term of fifty-five (55) years after the completion of the Project and contains restrictions which restrict eight (8) of the housing units in the Project to

occupancy by persons 60 years of age or older who have been diagnosed with a severe mental illness (and their family) and who are homeless or at risk of homelessness, and whose income (when first becoming an occupant/tenant) is not greater than thirty percent (30%) of area median income (“AMI”) for Los Angeles County, as published by the California Department of Housing and Community Development (“HCD”) and requires that such persons/families be charged rent, including a reasonable utility allowance/amount, at no greater than the rent permitted for Extremely Low Income households under California law (i.e., the product of 30 percent times 30 percent of AMI, adjusted for family size appropriate to the unit).

1.1.27 “Released Parties” is defined in Section 2.5.3.

1.1.28 “Schedule of Performance” means the schedule on Exhibit “B” attached hereto and incorporated by reference herein.

1.1.29 “Scope of Development” means the description of the Project set forth in Exhibit “C” attached hereto and incorporated by reference herein.

1.1.30 “Services Agreement” means an agreement between Developer and TCMHA in the form attached hereto as Exhibit “H” which requires and permits TCMHA to provide services for the Project after the completion thereof for a period of twenty (20) years, and which is incorporated by reference into the Regulatory Agreement.

1.1.31 “Site Designs” is defined in Section 6.7

1.1.32 “Title Company” shall mean the Escrow Holder (i.e., the Title Company and the Escrow Holder are the same).

1.1.33 “Transfer” is defined in Section 4.1.1.

1.1.34 “Transferee” is defined in Section 4.1.2.

2. CONVEYANCE OF THE PROPERTY; OPERATING LOAN BY GRANTOR.

2.1 Opening and Closing of Escrow. Within five (5) business days after the Date this Agreement is executed by the TCMHA and delivered to Developer, the TCMHA and the Developer shall cause an escrow (the “Escrow”) to be opened with Escrow Holder for the sale of the Land by the TCMHA to Developer by delivering to Escrow Holder a copy of this executed Agreement as the escrow instructions for the Escrow and requesting an escrow number (and the party obtaining the number shall email it to the other party at anavarro@tricitymhs.org for TCMHA or jperfitt@rn-la.org for Developer). The TCMHA and Developer shall provide such additional instructions to Escrow Holder as may be required by Escrow Holder provided they are consistent with this Agreement. Provided that each of the conditions to closing described in Section 2.7 have been satisfied, Escrow shall close (the “Close of Escrow” or “Closing”) on or before June 30, 2021. If the Close of Escrow does not occur by such date, any party not then in default may terminate this Agreement by written notice to the other and all the funds and documents deposited with Escrow Agent shall be promptly refunded or returned, as the case may be, by Escrow Agent to the depositing party, except that all escrow and title cancellation fees shall be paid by Developer.

2.1.2 Housing Program Loan by Grantor. TCMHA shall make the Housing Program Loan to Developer as of the Close of Escrow. The Housing Program Loan shall be evidenced by the Housing Program Loan Promissory Note and secured by the Housing Program Loan Deed of Trust. Such loan documents provide that the acceleration of the maturity date of any other loan obtained by Developer and secured by the Project, or an uncured default under the Regulatory Agreement, shall entitle TCMHA to accelerate the maturity date of the Housing Program Loan.

The Housing Program Loan shall be disbursed in fifteen (15) increments to Developer for the operating reserve account for the Project (for use in paying operating expense of the Project) after the issuance of a Certificate of Completion by TCMHA for the Project and written request for disbursement from Developer, with the initial disbursement being \$24,000, and subsequent disbursements increasing by three percent (3%) annually, and being made after written request by Developer but not more often than on each anniversary of the first disbursement, and in no event shall TCMHA be obligated to make a disbursement when Developer is in default under this Agreement, the Housing Program Loan Promissory Note or the Housing Program Loan Deed of Trust, or under any other loan secured by the Project.

Developer represents, warrants and covenants that it operates under/using a fiscal year of July 1 to June 30, and will continue to do so. Within thirty (30) days after the end of each fiscal year of Developer, commencing with the fiscal year in which the first disbursement of the Housing Program Loan is made, Developer shall deliver to TCMHA a written accounting of the amount of funds in the operating reserve account for the Project, together with an description of the sources of funds, and an accounting of the use of the funds during such preceding fiscal year. TCMHA shall have the right to inspect, copy and audit all of Developer's records with respect to the operating expenses for the Project, and Developer shall keep all such records at the Project or another location in Los Angeles County approved in writing by TCMHA, and shall retain them for at least three (3) calendar years after the fiscal year to which they relate.

2.2 Condition of Title; Title Insurance.

2.2.1 Developer shall promptly order a preliminary report for the Property from the Title Company and shall deliver it to the TCMHA by email (with hyperlinks to exception documents) to anavarro@tricitymhs.org and bgalloway@rwglaw.com. Developer shall then have thirty (30) days to review and approve the title exceptions. If Developer does not approve, Developer may terminate this Agreement by written notice to the TCMHA within such thirty (30) day period. If Developer does not timely terminate, the title exceptions shall be deemed approved and shall be "Approved Title Exceptions".

2.2.2 At the Close of Escrow, the TCMHA shall convey title to the Land to Developer by grant deed substantially in the form attached hereto as Exhibit "D" (the "Grant Deed"). Title to the Land shall be conveyed subject to: (i) non-delinquent current real property taxes and assessments not yet due for the tax year during which the conveyance occurs, (ii) all Approved Title Exceptions, and (iii) any matters which arise out of the actions of Developer or its agents or contractors (collectively, the "Permitted Exceptions").

2.3 Conditions to Close of Escrow. The obligation of the TCMHA and Developer under this Agreement to close Escrow (and sell and purchase the Property) shall be subject to the satisfaction (or express written waiver by the benefited party) of each of the following conditions (collectively, the “Closing Conditions”):

2.3.1 There shall have been no new title exceptions after the date of the title report.

2.3.2 The representations and warranties of the TCMHA and Developer contained in this Agreement being true and correct in all material respects.

2.3.3 The delivery by TCMHA and Developer of all documents and funds required to be delivered pursuant to Section 2.6 hereof.

2.3.4 The Title Company shall have committed to issue at the Close of Escrow: (i) an Owner’s Title Insurance Policy, with any endorsements reasonably requested by Developer, showing fee simple title to the Land vested in Developer (or Developer’s assignee as permitted by this Agreement), subject only to the Approved Exceptions; and (ii) a lender’s title policy, as described in Section 2.8.1 below, to TCMHA for the Housing Program Loan Deed of Trust.

2.3.5 Developer shall have submitted to the Executive Director of TCMHA, and the Executive Director shall have approved, a comprehensive Project budget (the “Project Budget”), showing line items for each type of expenditure, a schedule of sources and uses for the construction period and permanent loan period, and reasonable evidence that the Developer has sufficient additional capital funds available and is committing such funds to cover the difference, if any, between costs of development of the Development and the amount available to the Developer from the Construction Loans for such purpose.

2.3.6 The Developer shall have delivered to the TCMHA a copy of all Construction Loan documents, and the loan and grant amounts committed to therein and the committed equity funds shall equal the total costs in the Project Budget.

2.3.7 The Construction Loans shall close concurrently with the Close of Escrow.

2.3.8 The Executive Director of the TCMHA shall have approved the executed construction contract for the Project.

2.3.9 The Developer shall have submitted its organizational documents to the Executive Director of TCMHA.

2.3.10 The TCMHA shall have received reasonable evidence (such as insurance certificate(s)) that the construction-related insurance required by Section 7.1 of this Agreement shall be in effect.

2.3.11 All conditions to the issuance of the Building Permit, and any and all other governmental permits, consents or authorizations required for the development,

construction, operation or use of the Project (excluding certificates of occupancy and the like that cannot be issued until completion) shall have been approved/issued, including any permits and approvals relating to a so-called “density bonus” if necessary for the Project, and the execution, delivery and recording of any so-called “density bonus agreement” with the City of Claremont required for any necessary density bonus.

2.3.12 The Developer shall have submitted reasonable evidence to the Executive Director of TCMHA that the Contractor is reputable and creditworthy (or copies of payment and performance bonds from a creditworthy issuer).

2.3.13 Developer and TCMHA shall have performed, observed and complied with all covenants, agreements and conditions required by this Agreement to be performed, observed and complied with on its part prior to or as of the Close of Escrow.

2.3.14 Upon the request of any of Developer’s other lenders, the TCMHA shall enter into a recordable agreement with such lender, confirming the subordination of TCMHA’s right of reversion/termination in Section 6.2, TCMHA’s Deed of Trust and TCMHA’s Regulatory Agreement, and reasonably addressing such other reasonable matters as the applicable lender may require, which may be executed by the Executive Director of TCMHA.

2.3.15 The TCMHA and Developer shall have applied for, and have been granted/awarded sufficient loan funds from, California’s “No Place Like Home” program for Developer on sufficient terms for Developer to complete the construction of the Project and such loan/grant closes prior to or concurrently with the Close of Escrow.

2.4 Costs; Escrow Holder Settlement Statement.

2.4.1 Developer shall be solely responsible for all costs and expenses related to all surveys, title policies (and endorsements thereto), escrow charges, recording fees, and transfer taxes.

2.4.2 Escrow Holder is authorized on the Close of Escrow to pay and charge the Developer for any fees, charges and costs payable under Section 2.4.1 as set forth on the settlement statements approved by the Parties. Before such payments are made, Escrow Holder shall notify the TCMHA and Developer of the fees, charges, and costs necessary to close under the Escrow, by delivering draft settlement statements to the Parties for their mutual approval.

2.5 Condition of the Property.

2.5.1 “As-Is” Sale. Developer acknowledges and agrees that, except as expressly set forth herein, Developer is acquiring the Property in its “AS IS” condition, WITH ALL FAULTS, IF ANY, AND, EXCEPT AS EXPRESSLY SET FORTH HEREIN, WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED and neither TCMHA nor any agents, representatives, officers, or employees of TCMHA has made any representations or warranties, direct or indirect, oral or written, express or implied, to Developer or any agents, representatives, or employees of Developer with respect to the condition of the Property, its fitness for any particular purpose, or its compliance with any laws, and Developer is not aware of and does not rely upon any such representation to any other party. Except as expressly set forth herein, neither

TCMHA nor any of its representatives is making or shall be deemed to have made any express or implied representation or warranty, of any kind or nature, as to (a) the physical, legal or financial status of the Property, (b) the Property's compliance with applicable laws, (c) the accuracy or completeness of any information or data provided or to be provided by TCMHA, or (d) any other matter relating to the Property.

2.5.2 Acknowledgement of Inspections. Developer acknowledges, represents and warrants that Developer has inspected the Property and its physical characteristics and existing conditions and has observed or has had sufficient opportunity to inspect or observe, conducted or had sufficient opportunity to conduct such investigations and studies on and of said and adjacent areas as it deems necessary, and hereby waives any and all objections to or complaints regarding the Property and its condition, including, but not limited to, federal, state or common law based actions and any private right of action under state and federal law to which the Property is or may be subject, including, but not limited to, CERCLA (as defined in Section 1.1.13), RCRA (as defined in Section 1.1.13), physical characteristics and existing conditions, including, without limitation, structural and geologic conditions, subsurface soil and water conditions and solid and hazardous waste and Hazardous Materials on, under, adjacent to or otherwise affecting the Property. Developer further hereby assumes the risk of changes in applicable laws and regulations relating to past, present and future environmental conditions on the Property and the risk that adverse physical characteristics and conditions, including, without limitation, the presence of Hazardous Materials or other contaminants, may not have been revealed by its investigations.

2.5.3 Releases and Waivers. Developer and anyone claiming by, through or under Developer hereby waives its right to recover from and fully and irrevocably releases TCMHA and its members and its and their council members, board members, employees, officers, directors, representatives, agents, servants, attorneys, successors and assigns ("Released Parties") from any and all claims, responsibility and/or liability that it may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to (i) the condition (including any defects, errors, omissions or other conditions, latent or otherwise, and the presence in the soil, air, structures and surface and subsurface waters of materials or substances that have been or may in the future be determined to be Hazardous Materials or otherwise toxic, hazardous, undesirable or subject to regulation and that may need to be specially treated, handled and/or removed from the Property under current or future federal, state and local laws regulations or guidelines), valuation, salability or utility of the Property, or its suitability for any purpose whatsoever, and (ii) any information furnished by the Released Parties under or in connection with this Agreement. This release includes claims of which Developer is presently unaware or which Developer does not presently suspect to exist which, if known by Developer, would materially affect Developer's release to City. Developer specifically waives the provision of California Civil Code Section 1542, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER, WOULD HAVE MATERIALLY

AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR
OR RELEASED PARTY”

Developer Initials

In this connection and to the extent permitted by law, Developer hereby agrees, represents and warrants that Developer realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Developer further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Developer nevertheless hereby intends to release, discharge and acquit Released Parties from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which might in any way be included as a material portion of the consideration given to TCMHA by Developer in exchange for TCMHA’s performance hereunder.

Developer hereby agrees that, if at any time after the Close of Escrow any third party or any governmental TCMHA seeks to hold Developer responsible for the presence of, or any loss, cost or damage associated with, Hazardous Materials in, on, above or beneath the Property or emanating therefrom, then Developer waives any rights it may have against TCMHA in connection therewith, including, without limitation, under CERCLA (as defined in Section 1.1.13) and Developer agrees that it shall not (i) implead the City, (ii) bring a contribution action or similar action against City, or (iii) attempt in any way to hold TCMHA responsible with respect to any such matter. The provisions of this Section shall survive the Close of Escrow.

TCMHA has given Developer material concessions regarding this transaction in exchange for Developer agreeing to the provisions of this Section. TCMHA and Developer have each initialed this Section to further indicate their awareness and acceptance of each and every provision hereof.

TCMHA’S INITIALS

DEVELOPER’S INITIALS

2.5.4 Environmental Indemnity. From or after the Close of Escrow, Developer shall indemnify, protect, defend and hold harmless TCMHA, and its members, and its and their board members, council members, officials, officers, attorneys, employees, consultants, agents and representatives, from and against any and all claims, liabilities, suits, losses, costs, expenses and damages, including but not limited to attorneys’ fees and costs, arising directly or indirectly out of any claim for loss or damage to any property, including the Property, injuries to or death of persons, or for the cost of treating, removing or disposing of Hazardous Materials or toxic substances, materials and waste, by reason of contamination or adverse effects on the environment, or by reason of any statutes, ordinances, orders, rules or regulations of any governmental entity or the City requiring the clean-up of any Hazardous Materials caused by or resulting from any Hazardous Material, or toxic substances or waste existing on or under, any portion of the Property acquired by Developer.

2.5.5 Relocation of Existing Tenants by TCMHA; Indemnity for Relocation Benefits. The TCMHA shall, at its own cost and expense, cause all existing tenants of the Property to vacate the Property by the Close of Escrow, and provide and pay all relocation benefits to which said existing tenants may be entitled under California law or cause the tenants to waive such benefits in writing for legally sufficient consideration. The TCMHA shall defend, indemnify and hold Developer harmless from and against any and all claims, liabilities, losses, damages, costs and expenses (including without limitation attorneys' fees and costs) relating to relocation costs and benefits payable by the TCMHA under California law and arising from or relating to Transferor's termination of any lease or other occupancy agreement affecting the Property or relocation of any current tenant. The TCMHA's obligations hereunder shall survive the Close of Escrow.

2.6 Deposits into Escrow.

2.6.1 The TCMHA hereby covenants and agrees to deliver to Escrow Holder at least two (2) days prior to the Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition of the Close of Escrow:

2.6.1.1 A Grant Deed duly executed and acknowledged by the City, in the form attached hereto as Exhibit "D".

2.6.1.2 A counterpart original of the Regulatory Agreement, executed by TCMHA and acknowledged.

2.6.1.3 Counterpart originals of such subordination agreements as may be required by any Construction Lender (provided they are acceptable to TCMHA), executed by TCMHA and acknowledged.

2.6.1.4 Such proof of TCMHA's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue Developer's policy of title insurance.

TCMHA shall deliver a counterpart of the Services Agreement in the form attached hereto as Exhibit "H", duly executed by TCMHA, directly to Developer prior and as a condition to the Close of Escrow.

2.6.2 Developer shall deposit with Escrow Holder, at least two (2) days prior to the Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition of the Close of Escrow:

2.6.2.1 The Housing Program Deed of Trust in the form attached hereto as Exhibit "F", executed by Developer and acknowledged.

2.6.2.2 A counterpart of the Regulatory Agreement in the form attached hereto as Exhibit "G", executed by Developer and acknowledged.

2.6.2.4 Funds sufficient to satisfy Developer's monetary obligations at Closing in accordance with this Agreement.

2.6.2.5 Such documents as may be required to close all Construction Loans (except for documents delivered directly to the applicable construction lender).

Developer shall deliver the Housing Program Promissory Note in the form attached hereto as Exhibit "E" and the Services Agreement in the form attached hereto as Exhibit "H", duly authorized and executed by Developer, directly to TCMHA prior and as a condition to the Close of Escrow.

2.7 Authorization to Record Documents and Disburse Funds. Escrow Holder is hereby authorized to record the documents and disburse the funds and documents called for hereunder upon the Close of Escrow, provided each of the following conditions has then been fulfilled:

(i) The Title Company can issue: (i) in favor of Developer an Owner's Policy of Title Insurance, with liability equal to \$5,600,000.00 (or such lesser amount as shall have been requested by Developer), showing the Property vested in Developer subject only to the Approved Title Exceptions; (ii) in favor of TCMHA, lender's title policies in the amount of \$450,000 insuring TCMHA as the beneficiary under the Housing Program Deed of Trust.

(ii) The TCMHA shall have deposited in Escrow the documents required by Section 2.6.1, and Developer shall have deposited in Escrow the documents required by Section 2.6.2 above.

(iii) Each Party shall have deposited in Escrow any sums required of it under the preliminary settlement statement prepared by Escrow Holder and approved by each Party.

(iv) The TCMHA and Developer have confirmed to Escrow Holder that all of the other closing conditions set forth herein have been satisfied or expressly waived in writing by the Party(s) benefited thereby.

2.8 Escrow's Closing Actions. On the Close of Escrow, Escrow Holder shall:

2.8.1.1 Record the Grant Deed, then the Regulatory Agreement (with no intervening recordings) with the Los Angeles County Recorder;

2.8.1.2 Then record the deeds of trust and any regulatory agreements for the Construction Loans, and any intercreditor and/or subordination agreements required by the makers of the Construction Loans;

2.8.1.3 Then record the Housing Program Deed of Trust with the Los Angeles County Recorder;

2.8.1.4 Issue the Title Policies;

2.8.1.5 Prorate taxes, assessments, and other charges as of the Close of Escrow in accordance with the settlement statements approved by the Parties.

2.8.1.6 From funds deposited, pay prorated amounts and charges to be paid, and return any excess to the Party who deposited it;

2.8.1.7 Prepare and deliver to both Developer and the TCMHA one signed copy of Escrow Holder's closing statement showing all receipts and disbursements of the Escrow.

3. DEVELOPMENT COVENANTS.

3.1 Development of the Project. Developer shall develop the Improvements to be completed in accordance with the Scope of Development, the Schedule of Performance, all requirements of any and all applicable federal, state and local laws, rules and regulations, the Plans and Specifications, and all other terms, conditions and requirements of this Agreement. Developer shall comply with the Schedule of Performance in a timely manner, provided that the obligations of Developer set forth therein which are to be performed after the Close of Escrow shall be delayed by Force Majeure Delays, if applicable. Until a Certificate of Completion is issued, the Developer shall provide the TCMHA with periodic written progress reports, as reasonably requested by the City, regarding the status of the construction of the Improvements.

3.2 TCMHA Right to Review Plans and Specifications. In connection with construction of the Project, Developer shall comply in all respects with Plans and Specifications approved by the TCMHA and the City. The TCMHA shall have the right to review and approve all Plans and Specifications for the Improvements prior to their submission to the City to ensure that the Improvements are constructed in accordance with the Scope of Development and the other applicable provisions of this Agreement.

3.3 Costs of Entitlement, Development and Construction. The Developer agrees that all costs, expenses and fees associated with the development and construction of the Project including the costs for developing and constructing the Improvements thereon (including, but not limited to, the land acquisition costs and governmental permits and approvals) shall be borne by Developer.

3.4 Rights of Access and Inspection. Members of the staff of the TCMHA shall have a reasonable right of access to the Project, without charge or fee, at any reasonable time, upon reasonable notice to Developer (which may be by email to jperfitt@rn-la.org) to inspect the work being performed.

3.5 Local, State and Federal Laws; Prevailing Wages. Developer shall carry out the construction of the Improvements in conformity with all applicable federal, state and local laws, including all applicable federal and state occupation, safety and health standards. Developer will pay, or cause to be paid, the prevailing rates of wages for all work as described in, and shall otherwise comply with, Sections 1770 et seq. of the California Labor Code and related regulations.

3.6 Anti-discrimination During Construction. Developer, for itself and its successors and assigns, agrees that it shall not discriminate against any employee or applicant for

employment because of age, sex, marital status, race, handicap, color, religion, creed, ancestry, or national origin in the construction of the Improvements.

3.7 Taxes, Assessments, Encumbrances and Liens. Developer shall pay when due all real property taxes and assessments assessed or levied on the Property.

3.8 No Agency Created. In performing this Agreement, Developer is an independent contractor and not the agent of the TCMHA. The TCMHA shall not have any responsibility whatsoever for payment to any contractor or supplier of Developer or its contractors.

3.9 Certificate of Completion. Upon Developer's completion of the construction of the Project and the issuance of a certificate of occupancy by the City, Developer may apply to the TCMHA for a "Certificate of Completion". The issuance of the Certificate of Completion shall constitute the acknowledgement of the TCMHA that Developer has complied in all respects with its development obligations set forth in this Article 3. Promptly following the City's issuance of a certificate of occupancy for the Project, and provided that Developer is then in full compliance with all of its obligations under Article 3 of this Agreement, the TCMHA shall execute, acknowledge and deliver the Certificate of Completion, which shall be recorded in the Official Records of Los Angeles County and shall include, in form reasonably acceptable to Developer, an express termination or reconveyance of the City's right to reversion under Section this Agreement and the Grant Deed. If the TCMHA believes that the Developer is not in compliance with its obligations under this Article 3, the TCMHA shall promptly specify the nature of such non-compliance in writing to Developer.

4. LIMITATIONS ON TRANSFERS AND SECURITY INTERESTS.

4.1 Restriction on Transfer of Developer's Rights and Obligations.

4.1.1 Prior to issuance of a Certificate of Completion for the Project, Developer shall not sell, assign, transfer, mortgage, lease (except for space leases conditioned upon Project completion), hypothecate, or convey (collectively, a "Transfer") the Property or any part thereof or any of Developer's rights or obligations hereunder, without TCMHA's prior written consent, which consent may be granted or withheld in the its sole and absolute discretion, except for the execution of one or more deeds of trust and related instruments securing Developer's Construction Loan, or a conveyance of the Project resulting from the foreclosure thereof (or a deed-in-lieu of such a foreclosure). Developer acknowledges that the identity of Developer is of particular concern to the City, and it is because of Developer's identity that the TCMHA has entered into this Agreement with Developer. Except for any Transferee approved by the TCMHA pursuant to this Section 4.1, and except for any Holder (defined in Section 4.2) that has taken possession of the Land, no voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement. No transfer or assignment of Developer's interest hereunder without the City's prior written approval shall release Developer from the obligations of Developer hereunder.

4.1.2 Subject to Section 4.2 below, after the issuance of a Certificate of Completion for the entire Project, Developer shall have the right to Transfer the Land to any party (a "Transferee") provided that the Transferee (and its management company, if any) has the

experience, quality, character, trade record, financial ability and reputation, as determined by TCMHA in its reasonable judgment, to own the Project and to cause it to be managed and operated in compliance with the Regulatory Agreement and such transfer does not violate or permit to be accelerated any loan secured by the Project, and the Transferee assumes the transferor's obligations under the Services Agreement and agrees to be bound thereby in a written assignment and assumption document executed by the Transferee and Developer or then-then transferor. In the event that Developer desires to convey/transfer the Project pursuant to this Section 4.1.2, Developer will so notify the City, and will provide the TCMHA with all pertinent information regarding the Transferee. The TCMHA will use good faith efforts to approve or disapprove the Transferee (in its reasonable judgment) within thirty (30) days after receipt of written notice of Developer's intention to make the Transfer.

4.2 Holders of Deeds of Trust. Notwithstanding any provisions of Section 4.2 to the contrary, Developer shall have the right to encumber its interest in the Property and the Project and any income therefrom by deeds of trust and assignments of rents to the entities making Construction Loans for the purpose of securing loans of funds to be used for financing the costs of the Project (including land development costs, reasonable and customary developer fees, loan fees and costs, and other normal and customary project costs), or for refinancing construction loans with permanent secured financing. Any such lender holding any such deed of trust, whose name and address shall have been provided by Developer to TCMHA is referred to herein as a "Holder."

4.3 Rights of Holders. The TCMHA shall deliver a copy of any notice or demand to Developer concerning any breach or default by Developer under this Agreement to each Holder who has previously made a written request to the TCMHA for special notice hereunder. Such Holder shall have the right at its option to cure or remedy any such default and to add the cost thereof to the secured debt and the lien of its security interest. If such breach or default can only be remedied or cured by such Holder upon obtaining possession, such Holder may remedy or cure such breach or default within a reasonable period of time after obtaining possession, provided such Holder seeks possession with diligence through a receiver or foreclosure. Such Holder shall not undertake or continue the construction or completion of the Improvements beyond the extent necessary to conserve or complete the Improvements. Any Holder completing the Improvements must assume all rights and obligations of Developer under this Agreement and shall then be entitled, upon written request made to TCMHA and issuance by City of a certificate of occupancy for the Project, to a Certificate of Completion from TCMHA.

4.4 Noninterference with Holders. The provisions of this Agreement do not limit the right of Holders (a) to foreclose or otherwise enforce any deed of trust, or other security instrument encumbering all or any portion of the Property or Project, (b) to pursue any remedies for the enforcement of any pledge or lien encumbering the Property or Project, or (c) to accept, or cause its nominee to accept, a deed or other conveyance in lieu of foreclosure or other realization. In the event of (i) a foreclosure sale under any such deed of trust or other lien or encumbrance, (ii) a sale pursuant to any power of sale contained in any such deed of trust, or (iii) a deed or other conveyance in lieu of any such sale, the purchaser or purchasers and their successors and assigns, and the Property and Project shall be, and shall continue to be, subject to all of the conditions, restrictions and covenants of all documents and instruments recorded pursuant to this Agreement, including, without limitation, the restrictions set forth in the grant deed from the TCMHA to Developer.

4.5 Right of TCMHA to Cure. In the event of a default or breach by the Developer of a loan by a Holder prior to the completion of the Improvements, the TCMHA may, upon prior written notice to the Developer, cure the default, prior to the completion of any foreclosure. In such event the TCMHA shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the TCMHA in curing the default. The TCMHA shall also be entitled to a lien with power of sale upon the Project to the extent of such costs and disbursements upon TCMHA's unilaterally executing and recording a Notice of Lien stating the amount thereof. The TCMHA agrees that such lien shall be subordinate to any lien in favor of a Holder, and the TCMHA shall execute from time to time any and all documentation reasonably requested by a Holder to effect such subordination.

4.6 Right of TCMHA to Satisfy Other Liens. After the Close of Escrow and after the Developer has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on the Land or any portion thereof, and has failed to do so, in whole or in part, the TCMHA shall, upon prior written notice to the Developer, have the right to satisfy any such lien or encumbrances; however, nothing in this Agreement shall require the Developer to pay or make provision for the payment of any tax, assessment, lien or charge so long as the Developer in good faith shall contest the validity or amount therein and so long as such delay in payment shall not subject the Project or any portion thereof to forfeiture or sale.

5. USE AND OPERATION OF THE PROPERTY. Upon the completion of the Project, Developer shall use, operate and maintain the Project as required by the Regulatory Agreement and shall comply with the Services Agreement.

6. DEFAULTS, REMEDIES; TCMHA'S POST-CLOSING RIGHT OF TERMINATION/REVERSION (SUBORDINATED TO CONSTRUCTION LOAN DEEDS OF TRUST).

6.1 Defaults - Definition. Subject to the provisions of Section 6.7 hereof, the occurrence of any or all of the following shall constitute a default ("Default") under this Agreement:

6.1.1 A breach of any provision of this Agreement by any Party and failure of such Party to cure such breach within thirty (30) days after the non-defaulting Party has given written notice to the defaulting Party; provided, however, if such breach is not reasonably curable within such thirty (30) day period, then such Party shall be deemed in Default only if such Party does not commence to cure such breach within such thirty (30) day period and thereafter fails to diligently prosecute such breach to completion;

6.1.2 Developer's conveyance of the Land or Project, or any part thereof or interest therein, or any rights or obligations of Developer under this Agreement, in violation of this Agreement;

6.1.3 Developer's failure or refusal to keep in force and effect any material permit or approval with respect to construction of the Project, and Developer's failure to cure such breach within thirty (30) calendar days after notice from the TCMHA of Developer's breach; provided, however, if such breach is not reasonably curable within such thirty (30) day

period, then Developer shall be deemed in Default only if Developer does not commence to cure such breach within such thirty (30) day period and thereafter fails to diligently prosecute such breach to completion;

6.1.4 Filing of a petition in bankruptcy by or against any Party or appointment of a receiver or trustee of any property of any Party, or an assignment by any Party for the benefit of creditors, or adjudication that such Party is insolvent by a court, and the failure of such Party to cause such petition, appointment, or assignment to be removed or discharged within 90 days; or

6.1.5 The failure to comply with the Schedule of Performance, subject to Force Majeure Delays.

6.2 Remedies; TCMCHA Subordinate Right of Termination/Reversion. Upon an uncured default prior to the Close of Escrow, the non-defaulting Party may terminate this Agreement by written notice to the other party (or if the non-defaulting Party is Developer, Developer may pursue an action for specific performance). A defaulting Party shall be liable to the non-defaulting Party for all damages, costs and losses incurred by the non-defaulting Party, and the non-defaulting Party may seek against the defaulting Party any available remedies at law or equity.

If Developer fails to complete the Project by the deadline for completion in the Schedule of Performance, as extended by Force Majeure Delays, then TCMCHA may elect to terminate Developer's interest in the Land and any Improvements thereon and re-vest the Land and vest such Improvements in TCMCHA by written notice to Developer, and Developer shall then promptly execute, acknowledge and deliver such documents as may be required by TCMCHA, including a quitclaim deed in recordable form, to evidence such termination, re-vesting and vesting; however, the foregoing right of termination/revesting/vesting shall be subordinate to each deed of trust securing a Construction Loan.

6.3 No Personal Liability. No board member, member, councilmember thereof, representative, agent, attorney, consultant, or employee of the TCMCHA or any of its members shall personally be liable to the Developer or any successor in interest of Developer, in the event of any Default or breach by TCMCHA.

6.4 Rights and Remedies are Cumulative. The rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the non-defaulting Party; provided, however, that liquidated damages specified herein shall constitute the sole damages recoverable for the default giving rise to such liquidated damages.

6.5 Inaction Not a Waiver of Default. Any failures or delays by either Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such Party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies. The acceptance by a Party of less than the full amount due from the other party

shall not constitute a waiver of such Party's right to demand and receive the full amount due, unless such Party executes a specific accord and satisfaction.

6.6 Force Majeure. Following the Close of Escrow, and notwithstanding anything to the contrary in this Agreement, nonperformance shall be excused when performance is prevented or delayed by reason of any of the following forces reasonably beyond the control of such party (a "Force Majeure Delay"): (i) failure to perform by Developer affecting all similar works of construction in the Los Angeles, California, area, attributable to any strike, lockout or other labor or industrial disturbance (whether or not on the part of the employees of either party hereto), civil disturbance, future order claiming jurisdiction, act of the public enemy, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government or regulatory body; and (ii) delay attributable to severe weather, lightning, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other similar industry-wide cause beyond the reasonable control of the party from whom performance is required, or any of its contractors or other representatives. Any prevention, delay or stoppage due to any Force Majeure Delay shall excuse the performance of the party affected for a period of time equal to any such prevention, delay or stoppage (except the obligations of either party to pay money to the other party or to close escrow) provided that the Party claiming the Force Majeure Delay notifies the other Party of the Force Majeure Delay within a reasonable time (not to exceed ten business days) after the commencement of the Force Majeure Delay. However, in no event shall the deadline for the Close of Escrow be delayed by Force Majeure Delay.

6.7 Plans and Data. If this Agreement is terminated for any reason, then Developer shall deliver to TCMHA, without cost or expense to TCMHA, copies of any and all maps, architecture, engineering, subdivision approvals, permits, entitlements, rights, contracts, plans, drawings, studies, designs, reports, surveys, and data pertaining to the Project and its development (collectively, "Site Designs") which are in the possession of Developer.

7. INSURANCE; INDEMNITY.

7.1 Insurance.

7.1.1 From and after the Close of Escrow, Developer shall obtain and maintain at no cost or expense to TCMHA, with a reputable and financially responsible insurance company reasonably acceptable to TCMHA: (i) commercial broad form general liability insurance, insuring against claims and liability for bodily injury, death, or property damage arising from the construction, use, occupancy, condition, or operation of the Land, which liability insurance shall provide combined single limit protection of at least \$5,000,000 and shall include a reasonable inflation rider, contractual liability coverage and products and completed operations coverage, and (ii) commercial automobile liability insurance of at least \$1,000,000 combined single limit. Such liability insurance policies shall name the TCMHA and its members and their council members, board members, officers, agents and employees as additional insureds.

7.1.2 Before commencement of any demolition or construction work by Developer on any portion of the Property owned by Developer, Developer shall obtain and maintain in force until completion of such work (i) "all risk" builder's risk insurance, including

coverage for vandalism and malicious mischief, in a form and amount and with a company reasonably acceptable to the Executive Director of TCMHA, and (ii) workers' compensation insurance covering all persons employed by Developer in connection with work on the Project, or any portion thereof. During the construction of Improvements on any portion of the Land by Developer, such builder's risk insurance shall cover improvements in place and all material and equipment at the job site furnished under contract, but shall exclude contractors', subcontractors', and construction managers' tools and equipment and property owned by contractors' and subcontractors' employees.

7.1.3 Each architect and each engineer engaged by Developer shall provide professional liability insurance with a limit of liability of at least One Million Dollars (\$1,000,000.00).

7.1.4 Developer shall also furnish or cause to be furnished to the TCMHA evidence satisfactory to the TCMHA that any contractor with whom it has contracted for the performance of work on the Property or otherwise pursuant to this Agreement carries workers' compensation insurance as required by law.

7.1.5 With respect to each policy of insurance required above, Developer and each of Developer's general contractors, engineers and architects shall furnish to the TCMHA a certificate on the insurance carrier's form setting forth the general provisions of the insurance coverage promptly after written request by TCMHA showing the additional insureds. The certificate shall also be furnished by Developer prior to commencement of construction of any Improvements.

7.1.6 All such policies required by this Section shall, to the extent commercially available, contain: (i) language to the effect that the policies cannot be cancelled or materially changed except after thirty (30) days' written notice by the insurer to TCMHA, and (ii) a waiver of the insurer of all rights of subrogation against the TCMHA and the other additional insureds. All such insurance shall have deductibility limits which shall be commercially reasonable.

7.2 Indemnity. From and after the execution of this Agreement, Developer hereby agrees to indemnify, defend, protect, and hold harmless the TCMHA, its members, and its and their board members, councilmembers, agents, employees, representatives, consultants, and offices, from and against all losses, liabilities, claims, damages (including foreseeable or unforeseeable consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees) and demands of any nature whatsoever, related directly or indirectly to, or arising out of or in connection with:

- (i) the validity of this Agreement;
- (ii) the development and construction by Developer of the Improvements or the use, ownership, management, occupancy, or possession of the Project during Developer's period of ownership,
- (iii) any breach or Default by Developer hereunder, or

(iv) any of Developer's activities on the Property (or the activities of Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors on the Land), regardless of whether such losses and liabilities shall accrue or are discovered before or after the Close of Escrow or termination or expiration of this Agreement, except to the extent such losses or liabilities are caused by the gross negligence or willful misconduct of the TCMHA. The TCMHA may participate in the defense of any legal action naming the TCMHA. The provisions of this Section shall survive the Close of Escrow or the termination of this Agreement.

8. REPRESENTATIONS AND WARRANTIES.

8.1 Developer Representations. Developer represents and warrants to the TCMHA as of the date of this Agreement and as of the Close of Escrow that:

(i) Developer is a nonprofit public benefit corporation validly existing and in good standing under the laws of the State of California.

(ii) Developer has duly authorized the execution and performance of this Agreement and the execution and performance of all of the closing documents set forth herein.

(iii) Developer's execution and performance of this Agreement and the closing documents will not violate any provision of the Developer's operating agreement or any lease, contract, agreement, instrument, order, judgment or decree by which Developer is bound.

(iv) The Developer has not engaged a broker with respect to the purchase of the Property contemplated herein.

8.2 TCMHA Representation. The TCMHA hereby represents and warrants to the Developer that the TCMHA has not engaged a broker with respect to the sale of the Property contemplated herein.

9. GENERAL PROVISIONS.

9.1 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, or by reputable overnight delivery service. Notices shall be considered given upon the earlier of (a) one business day following deposit or delivery with a nationally recognized overnight courier delivery charges prepaid, or (b) three (3) business days following after deposit in the United States mail, postage prepaid, certified or registered, return receipt requested. Notices shall be addressed as provided below for the respective Party; provided that if any Party gives notice in writing of a change of name or address, notices to such Party shall thereafter be given as demanded in that notice:

TCMHA: Tri-City Mental Health Authority
1717 N. Indian Hill Blvd, Suite B
Claremont, CA 91711
Attn: Ms. Antonette Navarro, LMFT

Developer: Restore Neighborhoods LA, Inc.
315 West 9th Street, #503
Los Angeles, California 90015
Attention: John Perfitt

9.2 Construction. The Parties agree that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendments or exhibits thereto. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties.

9.3 Interpretation. In this Agreement the neuter gender includes the feminine and masculine, and singular number includes the plural, and the words “person” and “party” include corporation, partnership, firm, trust, or association where ever the context so requires. Unless otherwise required by a specific provision of this Agreement, time hereunder is to be computed by excluding the first day and including the last day. If the date for performance falls on a Saturday, Sunday, or legal holiday, the date for performance shall be extended to the next business day. All references in this Agreement to a number of days in which either party shall have to consent approve or perform shall mean calendar days unless specifically stated to be business days.

9.4 Time of the Essence. Time is of the essence of this Agreement.

9.5 Warranty Against Payment of Consideration for Agreement. Developer warrants that it has not paid or given, and will not pay or give, to any third person, any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers and attorneys.

9.6 Attorneys’ Fees. If any Party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing Party in any such action shall be entitled to its reasonable attorneys’ fees to be paid by the losing Party as fixed by the court. If the TCMHA is made a Party to any litigation instituted by or against Developer or to any litigation attacking the validity of this Agreement, then Developer shall indemnify and defend the TCMHA against, and save it harmless from, all costs, expenses (including reasonable attorneys’ fees), claims, liabilities, damages and losses incurred by the TCMHA in connection with such litigation provided, however, that in no event shall the Developer be obligated to pay any damages awarded to any person or entity that result from the gross negligence or willful misconduct of the TCMHA.

9.7 Entire Agreement Waivers and Amendments. This Agreement, together with all attachments and exhibits hereto, and all agreements executed pursuant hereto, constitutes the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to the subject matter hereof. No subsequent agreement, representation or promise made by either Party hereto, or by or to any employee, officer, agent or representative of either Party, shall be of any effect unless it is in writing and executed by the Party to be bound thereby. No person is authorized to make, and by execution

hereof Developer and the TCMHA acknowledge that no person has made, any representation, warranty, guaranty or promise except as expressly set forth herein; and no agreement, statement, representation or promise made by any such person which is not contained herein shall be valid or binding on Developer or TCMHA.

9.8 Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

9.9 Headings. All section headings and subheadings are inserted for convenience only and shall have no effect on the construction or interpretation of this Agreement.

9.10 No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the Parties, and their successors and assigns. No other person or entity shall have any right of action based upon any provision of this Agreement.

9.11 Governing Law; Jurisdiction; Service of Process. This Agreement and the rights of the Parties shall be governed by California law. The Parties consent to the exclusive jurisdiction of the California Superior Court for the County of Los Angeles. If any legal action is commenced by Developer against TCMHA, or by TCMHA against Developer, service of process on the TCMHA shall be made by personal service upon the Executive Director of TCMHA, or in such other manner as may be provided by law. If any legal action is commenced by TCMHA against Developer, service of process on Developer shall be made by personal service on John Perfitt, or in such other manner as may be provided by law.

9.12 Assignment. Except as otherwise expressly provided in Section 4.2, Developer may not assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of TCMHA, which TCMHA may withhold in its sole and absolute discretion.

9.13 Survival. The provisions hereof shall not merge into, but rather shall survive, any conveyance hereunder (including, without limitation, the delivery and recordation of the Grant Deed) and the delivery of all consideration.

9.14 Estoppel Certificates. Upon written request of Developer, TCMHA shall within thirty (30) days of the date of such request, execute and deliver to Developer, a written statement certifying that (a) this Agreement in full force and effect, if such is the case, and has not been modified or amended, except as shall be stated; and (b) that to the knowledge of TCMHA, without investigation, no default by Developer exists under this Agreement.

9.15 TCMHA Actions. In addition to any provisions of this Agreement that gives the Executive Director of TCMHA the authority to make decisions and grant approvals and sign documents, the TCMHA hereby authorizes its Executive Director to deliver such approvals, consents as are contemplated by this Agreement, waive requirements under this Agreement, and

modify this Agreement, on behalf of the TCMHA provided that the applicable approval, consent, waiver or modification is minor (*i.e.*, does not change the fundamental business transaction between the Developer and the City, as determined by the Executive Director in his or her his reasonable discretion).

9.16 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed as original but all of which together shall constitute one and the same instrument.

9.17 Email Delivery. Executed counterparts of this Agreement may be delivered by email/PDF to TCMHA, to anavarro@tricitymhs.org, and to Developer, to jperft@rn-la.org.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement as of the day and year first above written.

DEVELOPER:

RESTORE NEIGHBORHOODS LA, INC.,
a California nonprofit public benefit
corporation

By: _____
John Perfitt, Executive Director

TCMHA:

TRI-CITY MENTAL HEALTH
AUTHORITY,
a California joint powers authority

By: _____
Antonette Navarro, Executive Director

APPROVED AS TO FORM:

RICHARDS, WATSON & GERSHON,
TCMHA Special Counsel

By: _____
Bruce Galloway

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

Real property in the City of Claremont, County of LOS ANGELES, State of California, described as follows:

THE NORTHERLY 333.00 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 8 WEST, S.B.B. & M., IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THE WESTERLY 200 FEET THEREOF AND THE NORTH 33 FEET CONVEYED FOR ROAD PURPOSES.

ALSO EXCEPTING THE SOUTHERLY 10 FEET OF THE NORTH 333 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 8 WEST, S.B.B. & M.

AND ALSO EXCEPTING THEREFROM, THE SOUTHERLY 13.50 FEET OF THE NORTHERLY 46.50 FEET THEREOF, AS CONVEYED TO THE CITY OF CLAREMONT, A MUNICIPAL CORPORATION BY VIRTUE OF A DEED RECORDED JULY 25, 1996 AS INSTRUMENT NO. 1996-1196226 OF OFFICIAL RECORDS.

EXCEPTING ONE-HALF RIGHT, TITLE AND INTEREST IN AND TO ALL OIL, ASPHALTUM, GAS OR OTHER HYDRO-CARBON SUBSTANCES IN SAID LAND WITH FULL AND FREE RIGHT TO ENTER SAID LAND TO TAKE, DIG DRILL OR MINE FOR SAME, AS RESERVED BY JESSE L. MORAIN AND ADELHEIDE MORAIN, BY DEED RECORDED IN BOOK 9814 PAGE 59 OFFICIAL RECORDS.

(A.P.N.: 8669-019-029)

EXHIBIT “B”

SCHEDULE OF PERFORMANCE

<u>Action</u>	<u>Date / Deadline</u>
Items 1 – 11 Relate to Developer Actions and Requirements Prior to the Close of Escrow	
1. <u>Opening of Escrow</u> . The Parties shall open escrow with the Escrow Holder.	Within 270 days after execution of DDA.
2. <u>Preliminary Plans</u> . Developer shall submit preliminary Plans and Specifications to TCMHA.	Not later than 10 days after execution of DDA.
3. <u>Design Development Plans</u> . Developer shall submit interim “design development” Plans and Specifications to TCMHA	Not later than 90 days after execution of DDA.
4. <u>Final Plans and Specifications</u> . The Developer shall submit the Final Plans and Specifications for TCMHA approval.	Not later than 180 days after execution of DDA.
5. <u>Building Permits</u> . The Developer shall obtain the Building Permit for the construction of the Improvements.	Prior to the Close of Escrow.
6. <u>Construction Contract</u> . The Developer shall submit to TCMHA a copy of the construction contract for the construction of the Improvements.	Prior to the Close of Escrow.
7. <u>Insurance</u> . The Developer shall submit evidence of insurance to TCMHA.	Prior to the Close of Escrow.

<u>Action</u>	<u>Date / Deadline</u>
<p>8. <u>Project Budget; Evidence of Equity.</u> The Developer shall submit the Project Budget to TCMHA, together with reasonable evidence that any Developer equity funds necessary (in addition to funds from the NPLH Loan and Construction Loans) to pay the costs described in the Project Budget will be committed and available at the Closing.</p>	<p>Prior to the Close of Escrow.</p>
<p>Items 9 –13 Relate to the Conveyance of the Land and Developer Actions and Requirements After the Close of Escrow</p>	
<p>9. <u>Close of Escrow.</u> The Developer shall purchase the Property from the TCMHA and shall concurrently close the Construction Loans.</p>	<p>June 30, 2021</p>
<p>10. <u>Commencement of Construction.</u> Developer shall substantially commence the Improvements.</p>	<p>No later than 30 days after the Close of Escrow.</p>
<p>11. <u>Completion of Grading.</u> Developer shall substantially complete the grading for the Project.</p>	<p>Not later than 60 days following the Close of Escrow.</p>
<p>12. <u>Commencement of Vertical Construction.</u> Developer shall commence vertical construction.</p>	<p>Not later than 60 days following the Close of Escrow.</p>
<p>13. <u>Qualification for Certificate of Completion.</u> The Project shall qualify for a Certificate of Occupancy.</p>	<p>No later than one 450 days after the Close of Escrow.</p>

EXHIBIT “C”

SCOPE OF DEVELOPMENT

Demolition, renovation and construction resulting in (and all onsite and offsite improvements required as governmental conditions for, or necessary for): (i) a multifamily apartment complex with fifteen (15) apartment units (the “Housing Units”) in a one (1) story building in a Spanish architectural style with all units being one (1) bedroom units of approximately 450 square feet, including: (i) a laundry and trash area (250 square feet); and (ii) social service offices and communal spaces provided in an existing single-family home located on the property, which will be renovated by Developer to be suitable for such purposes.

EXHIBIT "D"

FORM OF GRANT DEED

Recording Requested by,
and when recorded return to,
and mail tax statements to:

Restore Neighborhoods LA, Inc.
315 West 9th Street, #503
Los Angeles, California 90015
Attention: John Perfitt

Assessor's Parcel Map No.: 8669-019-029

Exempt from Recording Fees Pursuant to
Government Code Section 27383

GRANT DEED

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$0.00; property is being conveyed for no consideration.
This is a bonafide gift and the grantor received nothing in return, R & T 11911.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, TRI-CITY MENTAL HEALTH AUTHORITY, a joint powers authority ("Grantor") hereby GRANTS to RESTORE NEIGHBORHOODS, LA, INC., a California nonprofit public benefit corporation ("Grantee") the land described on Exhibit "A" attached hereto and all improvements thereon ("Property"), SUBJECT TO all easements, covenants, conditions, restrictions, and rights of way of record, and the terms of a Disposition and Development Agreement between Grantor and Grantee which in Section 6.2 contains a right of termination and reversion/revesting/vesting in the event that the project described therein is not timely completed (which is subordinate to each deed of trust securing a Construction Loan, as defined therein).

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed as of the date set forth below.

Dated: _____, 2021

TRI-CITY MENTAL HEALTH AUTHORITY,
a California joint powers authority

By: _____

Print Name: _____

Title: _____

EXHIBIT "A" TO GRANT DEED

LEGAL DESCRIPTION OF LAND

Real property in the City of Claremont, County of LOS ANGELES, State of California, described as follows:

THE NORTHERLY 333.00 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 8 WEST, S.B.B. & M., IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THE WESTERLY 200 FEET THEREOF AND THE NORTH 33 FEET CONVEYED FOR ROAD PURPOSES.

ALSO EXCEPTING THE SOUTHERLY 10 FEET OF THE NORTH 333 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 8 WEST, S.B.B. & M.

AND ALSO EXCEPTING THEREFROM, THE SOUTHERLY 13.50 FEET OF THE NORTHERLY 46.50 FEET THEREOF, AS CONVEYED TO THE CITY OF CLAREMONT, A MUNICIPAL CORPORATION BY VIRTUE OF A DEED RECORDED JULY 25, 1996 AS INSTRUMENT NO. 1996-1196226 OF OFFICIAL RECORDS.

EXCEPTING ONE-HALF RIGHT, TITLE AND INTEREST IN AND TO ALL OIL, ASPHALTUM, GAS OR OTHER HYDRO-CARBON SUBSTANCES IN SAID LAND WITH FULL AND FREE RIGHT TO ENTER SAID LAND TO TAKE, DIG DRILL OR MINE FOR SAME, AS RESERVED BY JESSE L. MORAIN AND ADELHEIDE MORAIN, BY DEED RECORDED IN BOOK 9814 PAGE 59 OFFICIAL RECORDS.

(A.P.N.: 8669-019-029)

EXHIBIT "E"

PROMISSORY NOTE SECURED BY DEED OF TRUST
(TRI-TRI-CITY HOUSING PROGRAM LOAN; FOR OPERATING RESERVES)

\$446,373.90

Claremont, California

_____, 202_

FOR VALUE RECEIVED, **RESTORE NEIGHBORHOODS, LA, INC.**, a California nonprofit public benefit corporation ("Developer"), promises to pay to the ("Tri-City"), at its offices at 1717 N. Indian Hill Blvd., Suite B, Claremont, California 91711, or at such other place as Tri-City may from time to time designate in writing, (a) the principal sum of FOUR HUNDRED FORTY-SIX THREE HUNDRED SEVENTY-THREE AND 90/100 DOLLARS (\$446,373.90) ("Tri-City Note Amount") or so much thereof as may be disbursed by Tri-City to Developer; and (b) all costs and expenses payable hereunder.

RECITALS

A. This Promissory Note Secured By Deed of Trust ("Tri-City Note") is made pursuant to that certain unrecorded Disposition and Development Agreement by and between Developer and Tri-City, dated February 17, 2020 ("Agreement").

B. Capitalized terms used in this Tri-City Note shall have the meaning set forth in the Agreement, unless expressly otherwise defined herein.

NOW, THEREFORE, for good valuable consideration, receipt of which is hereby acknowledged, Developer agrees as follows:

1. Agreement; Disbursements. The principal sums hereunder have been and are being disbursed in annual increments for fifteen (15) years after the completion of the Project described in the Agreement, in accordance with and pursuant to the Agreement, which is a public record on file in the offices of Tri-City at 1717 N. Indian Hill Blvd., Suite B, Claremont, CA 91711. The proceeds of the Tri-City Loan shall be disbursed only for deposit into the operating reserve account of Developer to pay for operating costs and expenses of the Project described in the Agreement.

A default by Developer under any of the provisions of the Agreement, the Tri-City Deed of Trust of even date herewith, or that certain Regulatory Agreement between Tri-City and Developer dated substantially concurrently herewith shall, after the expiration of any cure period under the respective agreement, be a default hereunder.

2. Interest. No interest shall accrue on outstanding principal, except as set forth in Section 8 hereof.

3. Payment. There are no regularly scheduled payments under this Tri-City Note. Payment shall be due as provided in Section 8 hereof. If, as of the Maturity Date, there are no uncured defaults under the Agreement, including all attachments thereto, and there are no amounts which have become payable pursuant to Section 8 hereof, the balance of this Tri-City Note shall be forgiven.

4. Form of Payments. All amounts due hereunder are payable in immediately available funds and lawful monies of the United States of America.

5. Application of Payments. All payments shall be applied: (i) first, to costs and fees owing hereunder, (ii) second, to the payment of unpaid accrued interest owing hereunder, and (iii) third, to the payment of principal.

6. Prepayment. At any time, Developer may prepay in whole or in part the outstanding principal balance under this Tri-City Note, together with all accrued interest, if any, and unpaid fees, costs and expenses, if any, payable hereunder, without penalty or premium. In the event of prepayment by Developer, the Regulatory Agreement shall remain intact, and shall be unaffected by the prepayment of this Note by Developer.

7. Security. This Tri-City Note and all amounts payable hereunder are secured by a Deed of Trust of even date herewith (“Tri-City Deed of Trust”), executed by Developer in favor of Tri-City and recorded against the Site in the Official Records of Los Angeles County. The terms of the Tri-City Deed of Trust are incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. A default under any of the provisions of the Tri-City Deed of Trust shall be a default hereunder, and a default hereunder shall be a default under the Tri-City Deed of Trust.

8. Acceleration and Other Remedies. If elected by Tri-City pursuant to the following sentence, the entire balance due under this Tri-City Note shall be paid to Tri-City upon the earlier of any of the following (each, a “Default”): (i) the uncured default of Developer under this Tri-City Note, or the Tri-City Deed of Trust or the Regulatory Agreement, in each case, after delivery of notice and expiration of the applicable cure period provided in the respective agreement; (ii) the default by Developer under any obligation secured by a deed of trust that is senior to the Tri-City Deed of Trust that is not cured within the cure period, if any, provided thereunder; (iii) the default by Developer under any deed of trust that is senior to the Tri-City Deed of Trust that is not cured within the cure period, if any, provided thereunder, or (iv) the sale, lease or other transfer or conveyance (other than the permitted rentals and conveyances under the Agreement) of all or any part of the Project, or any interest therein (individually or collectively a “Transfer”), without the prior written consent of Tri-City in accordance with the Agreement. Upon the occurrence and during the continuance of a Default, Tri-City may, at Tri-City’s option, declare the outstanding principal amount of this Tri-City Note, and other charges hereunder, and all other sums secured by the Tri-City Deed of Trust, to be due and payable immediately, and upon such declaration, such principal and interest and other sums shall immediately become and be due and payable without demand or notice, all as further set forth in the Tri-City Deed of Trust. All costs of collection, including, but not limited to, reasonable attorneys’ fees and all expenses incurred in connection with protection of, or realization on, the security for this Tri-City Note, may be added to the principal hereunder, and shall accrue interest as provided herein. Tri-City shall at all times have the right to proceed against any portion of the security for this Tri-City Note in such order and in such manner as Tri-City may consider appropriate, without waiving any rights with respect to any of the security. Any delay or omission on the part of Tri-City in exercising any right hereunder, under the Agreement, the Regulatory Agreement or under the Deed of Trust shall not operate as a waiver of such right, or of any other right. No single or partial exercise of any right or remedy hereunder or under the Agreement, the Regulatory Agreement, the Tri-City Deed of Trust or any other document or agreement shall preclude other or further exercises thereof, or the exercise of any other right or remedy. The acceptance of payment of any sum payable hereunder, or part thereof, after the due date of such payment shall not be a waiver of Tri-City’s right to either require prompt payment

when due of all other sums payable hereunder or to declare a Default for failure to make prompt or complete payment. In addition, upon any Default, the Tri-City Note Amount and all outstanding amounts due under this Tri-City Note shall accrue interest at the default rate of ten percent (10%) per annum (based on a 360-day year and charged on the basis of the actual number of days elapsed) (“Alternate Rate”).

9. Waivers. Except to the extent notice is required under the Agreement or the Regulatory Agreement, Developer and all endorsers, guarantors and sureties hereof jointly and severally waive presentment, demand, notice of protest and nonpayment, notice of default or delinquency, notice of acceleration, notice of costs, expenses or leases or interest thereon, notice of dishonor, diligence in collection or in proceeding against any of the rights or interests in or to any and all property securing this Tri-City Note, and the benefit of any exemption under any homestead exemption laws, if applicable. Developer expressly agrees that this Tri-City Note or any payment hereunder may be extended from time to time at Tri-City’s sole discretion and that Tri-City may accept security in consideration for any such extension or release any security for this Tri-City Note at its sole discretion all without in any way affecting the liability of Developer. No extension of time for payment of this Tri-City Note made by agreement by Tri-City with any person now or hereafter liable for the payment of this Tri-City Note shall operate to release, discharge, modify, change or affect the original liability of Developer under this Tri-City Note, either in whole or in part. The obligations of Developer under this Tri-City Note shall be absolute and Developer waives any and all rights to offset, deduct or withhold any payments or charges due under this Tri-City Note for any reasons whatsoever. No previous waiver and no failure or delay by Tri-City in acting with respect to the terms of this Tri-City Note or the Tri-City Deed of Trust shall constitute a waiver of any breach, default, or failure or condition under this Tri-City Note, the Tri-City Deed of Trust or the obligations secured thereby. A waiver of any term of this Tri-City Note, the Tri-City Deed of Trust or any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.

10. Consents. Developer and all endorsers, guarantors and sureties consent to: (a) any renewal, extension or modification (whether one or more, and subject to the terms and provisions of the Agreement relating to modification, extension, and/or amendment) of the terms of the Agreement as such terms relate to this Tri-City Note or the terms or time of payment under this Tri-City Note, (b) the release or surrender or exchange or substitution of all or any part of the security, whether real or personal, or direct or indirect, for the payment hereof to the extent requested or approved by Developer, (c) the granting of any other indulgences to Developer, and (d) the taking or releasing of other or additional parties primarily or contingently liable hereunder. Except as otherwise set forth above, any such renewal, extension, modification, release, surrender, exchange or substitution may be made without notice to Developer or to any endorser, guarantor or surety hereof, and without affecting the liability of said parties hereunder.

11. Successors and Assigns. Whenever “Tri-City” is referred to in this Note, such reference shall be deemed to include Tri-City, and its successors and assigns, including, without limitation, any subsequent assignee or holder of this Tri-City Note. All covenants, provisions and agreements by or on behalf of Developer, and on behalf of any makers, endorsers, guarantors and sureties hereof which are contained herein shall inure to the benefit of Tri-City’s successors and assigns. Tri-City may, at its option, assign its right to receive payment under this Tri-City Note without necessity of obtaining the consent of Developer. Whenever “Developer” is referred to in this Tri-City Note, such reference shall be deemed to include Restore Neighborhoods, LA, Inc., a

California nonprofit public benefit corporation, and its approved successors and assigns, including, without limitation, any approved subsequent assignee or obligor of this Tri-City Note, if such approval is given in accordance with the Agreement. In no event shall Developer assign or transfer any portion of this note without the prior express written consent of Tri-City, except as permitted in the Agreement.

12. Usury. It is the intention of Developer and Tri-City to conform strictly to the Interest Law, as defined below, applicable to this loan transaction. Accordingly, it is agreed that notwithstanding any provision to the contrary in this Tri-City Note, or in any of the documents securing payment hereof or otherwise relating hereto, the aggregate of all interest and any other charges or consideration constituting interest under the applicable Interest Law that is taken, reserved, contracted for, charged or received under this Tri-City Note, or under any of the other aforesaid agreements or otherwise in connection with this loan transaction, shall under no circumstances exceed the maximum amount of interest allowed by the Interest Law applicable to this loan transaction. If any excess of interest in such respect is provided for in this Tri-City Note, or in any of the documents securing payment hereof or otherwise relating hereto, then, in such event:

- (a) the provisions of this paragraph shall govern and control;
- (b) neither Developer nor Developer's heirs, legal representatives, successors or assigns shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest allowed by the Interest Law applicable to this loan transaction;
- (c) any excess shall be deemed canceled automatically and, if theretofore paid, shall be credited on this Tri-City Note by Tri-City or, if this Tri-City Note shall have been paid in full, refunded to Developer; and
- (d) the effective rate of interest shall be automatically subject to reduction to the Maximum Legal Rate of Interest (as defined below), allowed under such Interest Law, as now or hereafter construed by courts of appropriate jurisdiction. To the extent permitted by the Interest Law applicable to this loan transaction, all sums paid or agreed to be paid to Tri-City for the use, forbearance or detention of the indebtedness evidenced hereby shall be amortized, prorated, allocated and spread throughout the full term of this Tri-City Note. For purposes of this Tri-City Note, "Interest Law" means any present or future law of the State of California, the United States of America, or any other jurisdiction which has application to the interest and other charges under this Tri-City Note. The "Maximum Legal Rate of Interest" means the maximum rate of interest that Tri-City may from time to time charge Developer, and under which Developer would have no claim or defense of usury under the Interest Law.

13. Costs of Enforcement. Developer agrees to pay upon demand all reasonable costs and expenses, including attorneys' fees, expert witness fees, and costs of suit (including appeals), incurred by Tri-City to enforce the terms hereof. In addition to the foregoing award of attorneys' fees, Tri-City shall be entitled to its reasonable attorneys' fees incurred in any post-judgment proceedings to enforce any judgment in connection with this Tri-City Note. This provision is separate and several and shall survive the merger of this provision into any judgment.

14. Miscellaneous. Time is of the essence hereof. If this Tri-City Note is now, or hereafter shall be, signed by more than one party or person, it shall be the joint and several obligation of such parties or persons (including, without limitation, all makers, endorsers, guarantors and

sureties), and shall be binding upon such parties and upon their respective successors and assigns. This Tri-City Note shall be governed by and construed under the laws of the State of California. Developer irrevocably and unconditionally submits to the jurisdiction of the Superior Court of the State of California for the County of Los Angeles or the United States District Court of the Central District of California, as Tri-City hereof may deem appropriate, in connection with any legal action or proceeding arising out of or relating to this Tri-City Note. Developer also waives any objection regarding personal or in rem jurisdiction or venue to the extent such action is filed in the above-referenced courts. In the event of a conflict between the provisions of this Tri-City Note and the Agreement, this Tri-City Note shall control with respect to the subject matter hereof.

15. Non-Recourse Obligation. In the event of any Default under the terms of the Agreement or any of the other Regulatory Agreement, the sole recourse of Tri-City for any such Default shall be the Site and the Project and Developer and its partners and Affiliates shall not be personally liable for the payment of any obligations under this Agreement; provided, however, that the foregoing shall not in any way affect any rights Tri-City may have hereunder, or any right of Tri-City to recover or collect funds, damages or costs (including without limitation reasonable attorneys' fees and costs) incurred by Tri-City as a result of fraud, intentional misrepresentation or bad faith waste, and/or any costs and expenses incurred by Tri-City in connection therewith (including without limitation reasonable attorneys' fees and costs).

IN WITNESS WHEREOF, the parties hereto have caused this Tri-City Note to be executed on the date first set forth above.

DEVELOPER:

RESTORE NEIGHBORHOODS, LA, INC.,
a California nonprofit public benefit corporation

By: _____
John Perfitt
Executive Director

EXHIBIT "F"

RECORDING REQUESTED BY,
AND WHEN RECORDED MAIL TO:

Tri-City Mental Health Authority
1717 N. Indian Hill Blvd, Suite B
Claremont, CA 91711
Attn: Ms. Antonette Navarro, LMFT

This document is exempt from payment of a recording fee pursuant to Government Code Sections 27383 and 6103.

**DEED OF TRUST WITH ASSIGNMENT OF RENTS
(SHORT FORM)**

This **DEED OF TRUST** is made as of _____, 202__ between RESTORE NEIGHBORHOODS, LA, INC., a California nonprofit public benefit corporation, herein called TRUSTOR, whose address is 315 West 9th Street, #503, Los Angeles, California 90015 Attention: John Perfitt, FIRST AMERICAN TITLE COMPANY, herein called TRUSTEE, and TRI-CITY MENTAL HEALTH AUTHORITY, a California joint powers authority, herein called BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the City of Claremont, County of Los Angeles, State of California, described as:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing (1) that Promissory Note dated substantially concurrently herewith, made by Trustor in favor of Beneficiary, and extensions or renewals thereof, in the maximum principal sum of FOUR HUNDRED FORTY-SIX THOUSAND THREE HUNDRED SEVENTY-THREE AND 90/100 DOLLARS (\$446,373.90), without any interest thereon, with the balance of the indebtedness, due and payable on occurrence of an event of acceleration as defined in the Promissory Note, (2) the performance of each agreement of Trustor incorporated by reference or contained herein (including without limitation Exhibit C hereto [Rider to Deed of Trust]), and (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or its successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious deed of trust recorded in Los Angeles County on August 18, 1964, in Book T3878 commencing

at page 174, in the book and at the page of Official Records in the office of the county recorder of Los Angeles County, shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B, (identical in all counties, and printed on pages 3 and 4 hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him or her at his or her address hereinbefore set forth.

Trustor:

RESTORE NEIGHBORHOODS LA, INC.,
a California nonprofit public benefit
corporation

By: _____
John Perfitt, Executive Director

EXHIBIT "A" TO DEED OF TRUST

LEGAL DESCRIPTION

A.P.N.: 8669-019-029

Real property in the City of Claremont, County of LOS ANGELES, State of California, described as follows:

THE NORTHERLY 333.00 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 8 WEST, S.B.B. & M., IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THE WESTERLY 200 FEET THEREOF AND THE NORTH 33 FEET CONVEYED FOR ROAD PURPOSES.

ALSO EXCEPTING THE SOUTHERLY 10 FEET OF THE NORTH 333 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 8 WEST, S.B.B. & M.

AND ALSO EXCEPTING THEREFROM, THE SOUTHERLY 13.50 FEET OF THE NORTHERLY 46.50 FEET THEREOF, AS CONVEYED TO THE CITY OF CLAREMONT, A MUNICIPAL CORPORATION BY VIRTUE OF A DEED RECORDED JULY 25, 1996 AS INSTRUMENT NO. 1996-1196226 OF OFFICIAL RECORDS.

EXCEPTING ONE-HALF RIGHT, TITLE AND INTEREST IN AND TO ALL OIL, ASPHALTUM, GAS OR OTHER HYDRO-CARBON SUBSTANCES IN SAID LAND WITH FULL AND FREE RIGHT TO ENTER SAID LAND TO TAKE, DIG DRILL OR MINE FOR SAME, AS RESERVED BY JESSE L. MORAIN AND ADELHEIDE MORAIN, BY DEED RECORDED IN BOOK 9814 PAGE 59 OFFICIAL RECORDS.

EXHIBIT "B" TO DEED OF TRUST

The following is a copy of Subdivisions A and B of the fictitious Deed of Trust recorded in each county in California as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

A. To protect the security of this Deed of Trust, Trustor agrees:

(1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary, the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

(4) to pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation thereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his or her reasonable fees.

(5) To Pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date

hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

B. It is mutually agreed:

(1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such monies received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his or her right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance or any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

(5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his or her own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(6) That upon default Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which

notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

(7) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

(8) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

(9) That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

EXHIBIT "C"

RIDER TO DEED OF TRUST

This **RIDER TO DEED OF TRUST** is made and delivered pursuant to and in implementation of the Regulatory Agreement ("Agreement") entered by and between the Trustor and the Beneficiary substantially concurrently with the Deed of Trust to which this Rider is attached, a copy of which Agreement is on file as a public record with the Beneficiary at 1717 N. Indian Hill Blvd., Suite B, Claremont CA 91711, and is incorporated herein by reference. Unless definitions of terms have been expressly set out at length herein, each term shall have the same definition as set forth in the Agreement. Trustor and Beneficiary further covenant and agree as follows:

1. Acceleration of Payment. All sums outstanding under the Promissory Note secured by this Deed of Trust and all other payments due under this Deed of Trust and under the Agreement shall become due and be immediately payable to the Beneficiary by the Trustor upon the occurrence of any one of the following events of acceleration:

(a) the sale or transfer of the Property (or any part thereof) by any means, including, without limitation, the lease, exchange or other disposition of the Property or any interest therein, whether voluntary or involuntary, except a sale of the Property as to which the prior written approval of Beneficiary has been obtained and where the transferee agrees to perform in accordance with the Agreement;

(b) the Trustor refinances any purchase money lien or encumbrance to which this Deed of Trust is subordinate (each such lien, a "Superior Lien") for a loan amount in excess of the then current loan balance secured by such lien or encumbrance and loan closing costs; and/or

(c) the Trustor (and all co-signors and co-mortgagors, if any) fails to operate the Property in conformity with the Regulatory Agreement.

At the request of the Trustor, and for a specific occasion, the Beneficiary may, in its sole and absolute discretion, in writing waive the requirements of these subparagraphs. Any waiver or deferment shall be on a case by case basis, and no future rights for waiver or deferment shall arise or be implied. Notwithstanding the foregoing, the Trustor may, upon prior written approval by the Beneficiary, refinance any Superior Lien for a loan amount equal to or less than the then current loan balance secured by such Superior Lien.

IN WITNESS WHEREOF, Trustor has executed this Rider to Deed of Trust as of the date set forth below.

TRUSTOR:

RESTORE NEIGHBORHOODS LA, INC.,
a California nonprofit public benefit corporation

By: _____
John Perfitt, Executive Director

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____, Notary Public,
(Print Name of Notary Public)

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

Title(s)

- Partner(s) Limited General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: _____

Signer is representing:
Name Of Person(s) Or Entity(ies)

Title Or Type Of Document

Number Of Pages

Date Of Documents

Signer(s) Other Than Named Above

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
 COUNTY OF _____)

On _____, before me, _____, Notary Public,
(Print Name of Notary Public)

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

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 - Corporate Officer
- _____
 Title(s)

- Partner(s) Limited General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: _____

Signer is representing:
 Name Of Person(s) Or Entity(ies)

 Title Or Type Of Document

 Number Of Pages

 Date Of Documents

 Signer(s) Other Than Named Above

EXHIBIT “G”

Recording Requested By, and
When Recorded Mail To:

Tri-City Mental Health Authority
1717 N. Indian Hill Blvd, Suite B
Claremont, CA 91711
Attn: Ms. Antonette Navarro, LMFT

(Space above for Recorder’s use.)

(This document is exempt from the payment of a recording
fee pursuant to Government Code Section 27383.)

REGULATORY AGREEMENT

This REGULATORY AGREEMENT (“Agreement”) is dated as of _____, 202_, and is entered into by and between the TRI-CITY MENTAL HEALTH AUTHORITY, a California joint powers authority (“TCMHA”) and RESTORE NEIGHBORHOODS, LA, INC., a California nonprofit public benefit corporation (“Developer”).

R E C I T A L S

A. Pursuant to a Disposition and Development Agreement dated February 17, 2021 between TCMHA and Developer (“DDA”), TCMHA has: (i) conveyed to Developer the real property located at 956 Base Line Road in the City of Claremont described on Exhibit “A” hereto (“Site”); (ii) conditionally committed to disburse in annual increments over 20 years, a “forgivable loan” (or conditional grant) to Developer secured by a subordinate deed of trust encumbering the Site and improvements thereon to be used for operating expenses of the residential development to be developed by Developer on the Site (the “TCMHA Housing Program Loan”); and (iii) entered into a twenty (20) year Supportive Housing Services Agreement by which TCMHA is the primary provider of supportive housing services for such residential development for no compensation.

B. The DDA requires Developer to construct an apartment complex including fifteen (15) residential units on the Site (the “Project”). The DDA requires, as a condition to TCMHA’s conveyance of the Site to Developer, making the TCMHA Housing Program Loan, and entering into the Supportive Housing Services Agreement, that Developer enter into and record this Agreement restricting eight (8) of such Housing Units to Senior Adult Homeless Diagnosed Extremely Low Income Households at an Affordable Rent (the “Required Affordable Units”) for fifty-five (55) years after the completion of the Project.

C. Developer intends to acquire and develop the Site utilizing, among other things, the proceeds of a loan from the City of Claremont from moneys from the City’s Low and Moderate

Income Housing Asset Fund (“City Loan”) and a loan by City from certain other funds, which requires that Developer to enter into a agreement with the City, to be recorded prior to this Agreement, that restricts the other seven (7) units in the apartment complex (the “City Regulatory Agreement”).

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and conditions set forth herein and in the DDA and the Supportive Housing Services Agreement, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions. The term “Affordability Period” shall mean the period commencing upon the completion of the Project and expiring fifty-five (55) years thereafter.

The term “Affordable Rent” shall mean rent, including a reasonable utility allowance/amount, no greater than the rent permitted for Extremely Low Income households under California law (*i.e.*, the product of thirty percent (30%) times thirty percent (30%) of AMI, adjusted for family size appropriate to the unit). Affordable Rent shall be determined in conformity with Health and Safety Code Section 50052.5 and related regulations.

The term “Senior Adult Homeless Diagnosed Extremely Low Income Households” shall mean persons who are sixty (60) years of age or older (and their family) who have a diagnosed mental illness and are homeless or at risk of homelessness, and whose income (when first becoming an occupant/tenant) is not greater than thirty percent (30%) of area median income (“AMI”) for Los Angeles County, as published by the California Department of Housing and Community Development.

ARTICLE 2

RESTRICTIONS

2.1. Permitted and Required Uses. The Project shall be used only for private rental dwelling purposes and related amenity uses, for the purposes described in the City Regulatory Agreement and, during the term of the Supportive Housing Services Agreement, for the purposes of supportive housing services as described in the Supportive Housing Services Agreement. Additionally, throughout the Affordability Period, Developer covenants and agrees to make available, restrict occupancy to, and rent not fewer than the Required Affordable Units in the Project to Senior Adult Homeless Diagnosed Extremely Low Income Households at an Affordable Rent. Developer shall not maintain or cause to be maintained any public nuisance or private nuisance on or about the Project.

2.2 Selection of Tenants. Developer shall be responsible for the selection of tenants in compliance with all applicable laws and this Agreement, and as to the Required Affordable Units: (i) fully consult, coordinate and cooperate with TCMHA in the selection of qualified tenants; and (ii) provide reasonable evidence to TCMHA that a tenant is permitted under the terms of this Agreement to rent a Required Affordable Unit before so renting a Required Affordable Unit to the tenant; and (iii) provide a copy of the applicable rental agreement and

addenda to TCMHA, with evidence that the rent is Affordable Rent for the tenant, prior to signing the rental agreement.

2.5 Increases in Tenant Income and Rent. A tenant who qualifies as an Extremely Low Income Household prior to occupancy of a Required Affordable Unit but whose income increases such that such tenant household ceases to be income qualified, may continue to occupy such Required Affordable Unit and be charged rent including a reasonable utility allowance, not greater than the lesser of thirty percent (30%) of the household's adjusted monthly income. No rent for a Required Affordable Unit may be increased without the reasonable consent of TCMHA after delivery to TCMHA of a reasonable written explanation together with reasonable evidence of the increased income.

2.6 Tenant Protections.

(a) Lease. Developer shall execute or cause to be executed a written lease/rental agreement for each Required Affordable Unit which complies with all applicable federal, state and local laws, statutes, ordinances, rules and regulations, and with each tenant household identifying by name all permitted occupants, both adults and minors.

(b) Prohibited Lease Terms. The tenant lease/rental agreement may not contain any of the following provisions:

(i) *Agreement to be sued.* Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;

(ii) *Treatment of property.* Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out. The owner may dispose of this personal property in accordance with State law;

(iii) *Excusing owner from responsibility.* Agreement by the tenant not to hold Developer or Developer's agents legally responsible for any action or failure to act, whether intentional or negligent;

(iv) *Waiver of notice.* Agreement of the tenant that Developer may institute a lawsuit without notice to the tenant;

(v) *Waiver of legal proceedings.* Agreement by the tenant that Developer may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;

(vi) *Waiver of a jury trial.* Agreement by the tenant to waive any right to a trial by jury;

(vii) *Waiver of right to appeal court decision.* Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease;

(viii) *Tenant chargeable with cost of legal actions regardless of outcome.* Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by Developer against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses; and

(ix) *Mandatory supportive services.* Agreement by the tenant (other than a tenant in transitional housing) to accept supportive services that are offered.

(c) **Termination of Tenancy.** Developer may not terminate the tenancy or refuse to renew the lease of a tenant within the Project except for failure to pay rent, serious or repeated violation of the terms and conditions of the lease; for violation of applicable federal, state, or local law; or for other good cause. Any termination or refusal to renew must be preceded by not less than thirty (30) calendar days (or such longer period as may be required by applicable laws) by Developer's service upon the tenant of a written notice specifying the grounds for the action.

2.7 Nondiscrimination. There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land and shall remain in effect in perpetuity.

ARTICLE 3

OPERATION, MANAGEMENT AND MAINTENANCE OF THE PROJECT

Developer shall comply with all the terms and provisions of the City Regulatory Agreement, including without limitation those relating to operation, management, financing and maintenance of the Project.

ARTICLE 4

RUNS WITH LAND; PROHIBITIONS ON ASSIGNMENT

4.1. Covenants to Run With the Land. The covenants and restrictions set forth in this Agreement shall run with the land, and shall bind all successors in title to the Project. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof shall be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument.

4.3. Transfers; General Prohibition of Transfer without Consent. The qualifications and identity of Developer as an experienced and successful developer and operator/manager of affordable housing are of particular concern to TCMHA. It is because of these identities and the qualifications of each of the partners that comprise Developer entity that City has entered into

the DDA and Supportive Housing Services Agreement with Developer. Accordingly, until the TCMHA Housing Program Loan has been forgiven and the Supportive Housing Services Agreement has expired, no voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under the DDA, Supportive Housing Services Agreement or this Agreement, nor shall Developer make any total or partial sale, transfer, conveyance, assignment, subdivision, refinancing or lease of the Site or the Site, or any part thereof, or the DDA or Supportive Housing Services Agreement or this Agreement (collectively referred to herein as a “Transfer”) without the prior written approval of TCMHA, which approval shall not however be unreasonably withheld or delayed.

Notwithstanding the foregoing, the transfers that do not require City consent under the City Regulatory Agreement shall not require TCMHA consent.

ARTICLE 5

ENFORCEMENT; REMEDIES; CROSS DEFAULT WITH LOAN

5.1. Remedies. In the event of default or breach of any of the terms or conditions of this Agreement by Developer, its heirs, executors, administrators or assigns, TCMHA may pursue the remedy thereof by any and all means of enforcement, both in equity and at law, as provided by the laws of the State of California, including, but not limited to, injunctive relief and/or specific performance.

5.2. No Third Parties Benefited. Except as provided herein as to City, this Agreement is made for the purpose of setting forth rights and obligations of Developer and City, and no other person shall have any rights hereunder or by reason hereof.

5.3. Default Hereunder Is Default Under TCMHA Loan. A default under this Agreement shall constitute a default under the TCMHA Loan, and shall entitle TCMHA to demand payment thereof and if not paid, enforce its rights and remedies under the deed of trust securing such loan.

ARTICLE 6

INSURANCE

Developer shall, at Developer’s expense, cause TCMHA to be named as additional insured under all liability insurance maintained by Developer for the Project, and shall promptly provide TCMHA with reasonable evidence of such insurance and additional insured status.

ARTICLE 7

NOTICES

Written notice, demands and communications between TCMHA and Developer shall be deemed sufficient if dispatched by overnight delivery by a regarded courier service, registered or certified mail, postage prepaid, return receipt requested to the principal offices of TCMHA and Developer, the addresses of which are hereinafter set forth. Such written notices, demands and communications may be sent in the manner prescribed to each other’s addresses as either party may, from time to time, designate by mail, or the same may be delivered in person to representatives of either party upon such premises. Said addresses are as follows:

If to Developer: Restore Neighborhoods, LA, Inc.
315 West 9th Street, #503
Irvine, CA 92614
Attention: John Perfitt

If to TCMHA: Tri-City Mental Health Authority
1717 N. Indian Hill Blvd, Suite B
Claremont, CA 91711
Attn: Ms. Antonette Navarro, LMFT

Notices herein shall be deemed given one business day after delivery to a reputable overnight delivery service for next day delivery, or three (3) consecutive calendar days after deposit of the same in the custody of the United States Postal Service.

ARTICLE 8

MISCELLANEOUS

8.1 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party or the failure by the party to exercise its rights under or upon a default by the other party herein shall not constitute a waiver of such party's right to demand strict compliance from such other party in the future.

8.2 Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision(s) had never been contained herein.

8.3 Relevant Agreements; Merger. This Agreement, the DDA, and the Supportive Housing Services Agreement contain the sole and entire agreements and understandings of the parties with respect to the subject matter hereof. No representations, oral or otherwise, express or implied, other than those contained herein, have been made by the parties.

8.4 Counterparts. Counterparts of this Agreement may be executed, acknowledged, delivered and recorded, and each of which, and all of which together, shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

DEVELOPER:

RESTORE NEIGHBORHOODS, LA, INC.,
a California nonprofit public benefit corporation

By: _____
John Perfitt
Executive Director

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

TCMHA:

TRI-CITY MENTAL HEALTH AUTHORITY

By: _____
Antonette Navarro, Executive Director

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "A"

LEGAL DESCRIPTION

A.P.N.: 8669-019-029

Real property in the City of Claremont, County of LOS ANGELES, State of California, described as follows:

THE NORTHERLY 333.00 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 8 WEST, S.B.B. & M., IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THE WESTERLY 200 FEET THEREOF AND THE NORTH 33 FEET CONVEYED FOR ROAD PURPOSES.

ALSO EXCEPTING THE SOUTHERLY 10 FEET OF THE NORTH 333 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTH WEST QUARTER OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 8 WEST, S.B.B. & M.

AND ALSO EXCEPTING THEREFROM, THE SOUTHERLY 13.50 FEET OF THE NORTHERLY 46.50 FEET THEREOF, AS CONVEYED TO THE CITY OF CLAREMONT, A MUNICIPAL CORPORATION BY VIRTUE OF A DEED RECORDED JULY 25, 1996 AS INSTRUMENT NO. 1996-1196226 OF OFFICIAL RECORDS.

EXCEPTING ONE-HALF RIGHT, TITLE AND INTEREST IN AND TO ALL OIL, ASPHALTUM, GAS OR OTHER HYDRO-CARBON SUBSTANCES IN SAID LAND WITH FULL AND FREE RIGHT TO ENTER SAID LAND TO TAKE, DIG DRILL OR MINE FOR SAME, AS RESERVED BY JESSE L. MORAIN AND ADELHEIDE MORAIN, BY DEED RECORDED IN BOOK 9814 PAGE 59 OFFICIAL RECORDS.

EXHIBIT “H”

SUPPORTIVE SERVICES AGREEMENT

This SUPPORTIVE SERVICES AGREEMENT (“Agreement”) is dated _____, 202__ and is entered into by and between TRI-CITY MENTAL HEALTH AUTHORITY, a California joint powers authority (“TCMHA”) organized under the laws of the State of California with its administrative office at 1717 N. Indian Hill Boulevard, #B, Claremont, California 91711, and RESTORE NEIGHBORHOODS, LA, INC., a California nonprofit public benefit corporation (“Owner”) with its principal place of business at 315 W. 9th St #503, Los Angeles, CA 90015.

RECITALS

- A. Owner is a California nonprofit corporation lawfully organized and operating under the California Nonprofit Corporation Law (commencing with Section 5000 of the California Corporations Code).
- B. TCMHA is a joint powers authority established through a Joint Powers Authority Agreement between the Cities of Pomona, Claremont and La Verne, pursuant to the provisions of the Joint Exercise of Powers Act, and the provisions of the Bronzan-McCorquodale Act/Short-Doyle Act, Part 2, Section 5600, et seq., of the Welfare and Institutions Code of the State of California.
- C. Owner is the recipient of No Place Like Home construction loan funds for the construction by Owner of the project described in that certain Disposition and Development Agreement between TCMHA as seller of land described therein, and Owner as buyer, dated February 17, 2021 (the “DDA”).
- D. The project is located at 956 Baseline Road in Claremont, California and consists of the development of fifteen (15) rental housing units for senior adult individuals (and their families), eight (8) of which are restricted by a Regulatory Agreement with TCMHA recorded against the project to senior adults who are homeless or at risk of homelessness and who have a diagnosed severe mental illness, and the others of which may be restricted by similar recorded agreements.
- D. The DDA requires as a condition to the sale of the land by TCMHA to Owner for the project, that Owner and TCMHA enter into this Agreement whereby TCMHA agrees to provide, and Owner agrees to accept, the supportive services described herein for the residents of the project for twenty (20) years after the project has been completed.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the Parties hereto agree as follows:

1. Scope of Services. TCMHA hereby agrees to, and Owner agrees to accept, that TCMHA will be the lead service provider for this project and will provide and perform the following services:

TCMHA's Comprehensive Housing Master Plan outlines TCMHA's strategy for bringing permanent supportive housing to those Pomona, Claremont and La Verne residents who are homeless or at risk of homelessness and are suffering from one or more mental health conditions. The main goal of the Supportive Services portion of the Housing Master Plan is to help clients retain long term housing.

Potential tenants will be identified for participation based upon referrals from persons accessing our Walk-In/Inquiry services, the Community Navigators, NAMI, other community partners. Persons may be seeking outpatient or the more intensive Full-Service Partnership services or accessing the support and programs offered at the TCMHA Wellness Center. The purpose of the MHS Housing Program was to address housing first which means that while persons applying for tenancy must meet the criteria to be enrolled in our mental health services including having one or more mental health diagnoses and experiencing some functional impairment in their lives, they are not required to actively participate in any of the supportive services offered. Finally, in keeping with TCMHA's vision to build a system of care, permanent supportive housing will also be available to persons receiving mental health services from agency partners in our local area.

TCMHA's goal for its permanent supportive housing residents is not only to provide stability within a secure, safe living environment, but also to assist residents and their family members to complete and/or obtain higher education, develop and/or increase employment skills, and/or to reconnect with family and loved ones. For those who are able, these latter goals provide the necessary foundation for clients and their families to eventually move on from the permanent support housing site into more long-term and independent living situations, thereby creating opportunities for others in need to move-in and benefit from these intensive supports.

TCMHA approaches permanent support housing from the "housing first" perspective which means that while persons applying for tenancy must meet the criteria to be enrolled in our mental health services including having one or more mental health diagnoses and experiencing some functional impairment in their lives, they are not required to be working a recovery program nor to actively participate in any of the supportive services offered. Further, TCMHA's permanent supportive housing framework is founded upon the principles of the Recovery Model, and specifies that housing options and supportive services must be flexible enough to accommodate an individualized approach that aimed to eliminate those barriers that historically sabotage the maintenance of stable housing for persons challenged by living with a mental illness and their families.

The barriers to long-term stable housing include lack of access to appropriate mental health treatment, substance abuse/addiction, complex and untreated medical issues, incomplete education, deficient vocational skills and/or job experience, and lack of a positive social support network. Given the wide range of barriers to be addressed, TCMHA actively engages and collaborates with a variety of community partners in order to meet all of the needs of those clients placed in permanent supportive housing. Such partners include the primary care community, the substance abuse treatment community within its three cities, local schools/colleges/technical training programs, local businesses, and local landlords and property management companies, as well as other locally operating social service providers.

TCMHA will address these barriers through an array of supportive services offered through its: Full-Service Partnership program; Field-Capable Services for Older Adults program; adult services outpatient clinic and the Wellness Center. Services that TCMHA will directly provide are clinical assessment, individual, group and family therapy, rehabilitation services/skills

building, co-occurring disorders treatment services, case management, medication support, informal support groups, socialization activities, employment services, benefit services and housing assistance. The services provided to those residing in TCMHA permanent supportive housing will be offered on-site as well as off-site. Contacts may be one-to-one, in conjunction with significant others in the resident's life, or group learning situations. While the exact nature of the service to be provided and the frequency with which services will be provided will be determined by the individual needs of each resident, contact will occur at least once a week. Recognizing that some residents may be slow to trust and accept services aside from housing, one-to-one engagement may simply begin with the use of a telephone call or providing transportation.

Finally, all manner of services available and provided to residents residing in TCMHA's permanent supportive housing units will also be made available to the other residents within the Baseline Senior Apartments housing complex.

2. Consideration/Compensation/Costs. TCMHA will seek no compensation for its services nor ask for RNLA to put forth any expenses for these services.

3. Regulatory Agreement; Property Maintenance and Operation by Owner. Owner shall comply with the terms of the Regulatory Agreement between TCMHA and Owner recorded against the project, including the terms thereof relating to maintenance and operation.

4. Owner Compliance with NPLH Requirements. Owner shall comply with all applicable laws, and with all No Place Like Home guidelines, loan documents, regulations, policies, and requirements, in the development, ownership and operation of the project.

5. Term. This Agreement shall continue in full force and effect until the date that is twenty (20) years after the completion of the project and opening of the project for business. In no event may Owner terminate this Agreement.

6. Default; Remedies. In the event TCMHA fails to comply with any of the terms or provisions of this Agreement, the Owner shall notify TCMHA in writing of such default and specifies the actions that TCMHA must take in order to cure the default. TCMHA shall not be in default if TCMHA: (a) cures the default within thirty (30) days after delivery of the notice; or (b) if the cure reasonably requires more than thirty (30) days after delivery of the notice, commences to cure the default within the 30 days and thereafter diligently prosecutes the cure to completion. Except for termination, Owner reserves all of its rights and remedies in law and equity for any uncured breach of this Agreement by TCMHA.

7. Records. All reports, data, maps, models, charts, studies, surveys, calculations, photographs, memoranda, plans, studies, specifications, records, files, including all working papers, personnel, property, and financial records or any other documents or materials, in electronic or any other form, that are prepared or obtained pursuant to this Agreement, and that relate to the matters covered hereunder, shall be and remain the property of the Owner. However, Owner will be responsible for maintaining such records, and Owner hereby agrees to make them available to TCMHA, or any authorized representative, for inspection.

8. Independent Contractor. TCMHA is, and shall at all times remain to the Owner, a wholly independent contractor. Neither the Owner nor its officers, employees, or agents shall

have control over the conduct of TCMHA or its officers, employees, or agents except as expressly set forth in this Agreement. TCMHA shall not at any time or in any manner represent that it or any of its officers, employees or agents are agents of the Owner.

9. Assignment. TCMHA shall not assign this Agreement nor any part thereof without the prior written consent of the Owner.

10. Indemnification. Each Party shall indemnify, defend and hold harmless the other Party, their elected and appointed officers, employees, representatives, volunteers, and contractors who serve as officers, officials, or staff, from and against any and all liability, including but not limited to demands, claims, actions, suits, accidents, injuries, fees, costs, expenses, liability, and/or proceedings (including attorney and expert witness fees), arising from or connected with each Party's respective acts and/or omissions arising from and/or relating to this Supportive Services Agreement.

11. Waiver of Subrogation for Insurance. Each party, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the other, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of it regardless of any prior, concurrent, or subsequent non-active negligence, to the extent they are covered by insurance.

12. Notices. Any notices, bills, invoices, or reports required by this Agreement shall be given in writing and shall be delivered by certified mail or by reputable overnight delivery service (such as Federal Express). Notices shall be deemed received on (a) one day after delivery to an overnight courier for next day service during regular business hours; or (b) if sent by certified mail, then on the date of delivery or attempted delivery shown on the return receipt, or to such other addresses as the parties may, from time to time, designate in writing pursuant to the provisions of this section. All notices shall be delivered to the parties at the following addresses:

TCMHA: Tri-City Mental Health Authority
1717 N. Indian Hill Blvd, Suite B
Claremont, CA 91711
Attn: Ms. Antonette Navarro, LMFT

With a copy to: Darold Pieper, Esq.
7049 Heron Circle
Carlsbad, CA 92011-3975

Owner: Restore Neighborhoods LA, Inc.
315 West 9th Street, #503
Los Angeles, California 90015
Attention: John Perfitt

13. Entire Agreement; Severability; Time of Essence; Venue. This Agreement, together with all documents referenced and incorporated herein, contains the entire understanding between the Owner and TCMHA. Any prior agreements, premises, negotiations

or representations not expressly set forth herein are of no force or effect. If any term, condition or covenant of this Agreement is found invalid by a court of law, the remaining provisions of this Agreement shall be valid and binding. Time is of the essence in the performance of each and every term of this Agreement. Venue for any legal action between the parties shall be the Superior Court of Los Angeles County.

14. Attorneys' Fees. If litigation is required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorneys' fees.

15. Governing Law. This Agreement shall be interpreted and construed according to the laws of the State of California.

16. Authority of Executive Directors. The Executive Director of each party shall have the authority to give consents, approvals and waivers and to modify this Agreement (all on behalf of such party) provided they are in writing.

17. Counterparts; Delivery by Email. This Agreement may be executed in counterparts, each of which and all of which together shall constitute one and the same agreement. Executed counterparts may be delivered by email/PDF to TCMHA, to anvarro@tricitymhs.org, and to Owner, to jperft@rn-la.org.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written and each of the undersigned are authorized to execute this Agreement.

OWNER:

RESTORE NEIGHBORHOODS LA, INC.,
a California nonprofit public benefit
corporation

By: _____
John Perfitt, Executive Director

TCMHA:

TRI-CITY MENTAL HEALTH
AUTHORITY,
a California joint powers authority

By: _____
Antonette Navarro, Executive Director

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**Tri-City Mental Health Authority
AGENDA REPORT**

DATE: February 17, 2021

TO: Governing Board of Tri-City Mental Health Authority

FROM: Toni Navarro, LMFT, Executive Director
Seeyam Teimoori, M.D., Medical Director

SUBJECT: Consideration of Resolution No. 575 Authorizing the Executive Director to Execute a Memorandum of Understanding with the City of Claremont for Community Response Services

Summary:

Staff is requesting that the Governing Board to approve a Memorandum of Understanding (MOU) with the City of Claremont to establish and implement the Tri-City Psychiatric Assessment and Care Team (PACT) to provide community response services in collaboration with the Claremont Police Department.

Background:

Following the murder of George Floyd in May 2020, many communities around the country, including Claremont, began to ask city leaders to reflect and re-evaluate the exclusive use of police in responding to certain community situations. Specifically, situations such as calls for dealing with persons who are homeless that often ultimately result in a referral to behavioral health and/or social services vs. with an infraction or arrest; or calls about familial concerns regarding emotional crises that might more readily be de-escalated from a potential 5150/5585 with addition of specialized professionals at the scene.

Building on the successes in recent years of the work of Tri-City's Intensive Outreach and Engagement Team (IOET) with the City of Claremont, and the Measure H collaboration, Claremont's former City Manager and Police Chief contacted Tri-City to discuss adding a mental health team on site at their police department to address those requests and just such situations. Over the past several months, Tri-City staff have met with city staff and the police to design the PACT program.

PACT will provide partnership with Claremont PD to help efficiently respond to social-emotional/mental health needs of Claremont residents and/or visitors by using trained mental health professionals to take the lead on non-violent, non-criminal calls to law enforcement for assistance, including in response to addressing persons who do not have a permanent residence. These services will address Mental and physical Health issues, Chemical Dependency and Homelessness in the context of whole person care.

Governing Board of Tri-City Mental Health Authority
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Page 2

PACT also will facilitate entry into appropriate levels of care and services for persons we respond to, in real time. We hope to engage persons challenged by the conditions that will be outlined into appropriate levels of treatment quickly and reduce recidivism of chronic crisis incidents.

Other goals of PACT are:

- To coordinate follow up with Claremont PD for persons placed on 5150 holds after-hours or on weekends to ensure no one falls through the system of care.
- To coordinate with Claremont PD and follow up on all calls made after-hours or on weekends which involved a mental health need that was not referred for 5150 to facilitate access and increase likelihood of engagement to appropriate level of linkage support.

The PACT consists of one (1) Licensed Clinical Therapist and one (1) Licensed Psychiatric Technician (LPT), who will be stationed at Claremont PD.

Fiscal Impact:

Tri-City is utilizing 1991 Realignment Funds budgeted starting in Fiscal Year 2020-21 to employ two (2) full-time employees: a licensed clinical therapist and a licensed psychiatric technician.

Recommendation:

Staff recommends that the Governing Board adopt Resolution No. 575 approving a Memorandum of Understanding with the City of Claremont to establish and implement PACT, a community response services collaboration of Tri-City and Claremont Police Department; and authorizing the Executive Director to execute the MOU.

Attachments

Attachment 4-A: Resolution No. 575 – DRAFT

Attachment 4-B: MOU with the City of Claremont - DRAFT

RESOLUTION NO. 575

A RESOLUTION OF THE GOVERNING BOARD OF THE TRI-CITY MENTAL HEALTH AUTHORITY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF CLAREMONT TO ESTABLISH AND IMPLEMENT THE PSYCHIATRIC ASSESSMENT AND CARE TEAM (PACT) FOR COMMUNITY RESPONSE SERVICES

The Governing Board of the Tri-City Mental Health Authority does resolve as follows:

1. Findings. The Governing Board hereby finds and declares the following:

A. Tri-City Mental Health Authority (“TCMHA” or “Authority”) desires to enter into a Memorandum of Understanding with the City of Claremont to establish and implement a Psychiatric Assessment and Care Team (PACT) to provide community response services in collaboration with the City of Claremont Police Department.

B. The purpose of the collaboration is to effectively and efficiently provide community response to Claremont residents and/or visitors in need of social, emotional, and mental health services and/or that are experiencing chemical dependency or homelessness, by utilizing police resources and trained mental health professionals to take the lead on non-violent, non-criminal calls to law enforcement for assistance.

C. The Authority approves to render services pursuant to the terms of the Memorandum of Understanding (MOU).

2. Action

The Governing Board approves the Memorandum of Understanding with the City of Claremont to establish the PACT to provide community response services; and authorizes the Executive Director to execute the MOU.

3. Adoption

PASSED AND ADOPTED at a Regular Meeting of the Governing Board held on February 17, 2021, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ROBIN CARDER, CHAIR

APPROVED AS TO FORM:
DAROLD PIEPER, GENERAL COUNSEL

ATTEST:
MICAELA P. OLMOS, RECORDING SECRETARY

By:_____

By:_____

MEMORANDUM OF UNDERSTANDING

BY AND BETWEEN TRI-CITY MENTAL HEALTH AUTHORITY AND THE CITY OF CLAREMONT TO ESTABLISH COMMUNITY RESPONSE BY CLAREMONT POLICE DEPARTMENT AND THE PSYCHIATRIC ASSESSMENT CARE TEAM (PACT)

1. PARTIES AND DATE

This Memorandum of Understanding (hereinafter “MOU” or “Agreement”) is made and entered into as of March 1, 2021 (“Agreement Date”) by and between the TRI-CITY MENTAL HEALTH AUTHORITY, a joint powers agency organized under the laws of the State of California with its administrative office at 1717 N. Indian Hill Boulevard, #B, Claremont, California 91711 (hereinafter “TCMHA”) and the CITY OF CLAREMONT, a municipal government, with its principal place of business at 207 Harvard Avenue, Claremont, CA 91711 (hereinafter “City”). TCMHA and City are sometimes individually referred to as a “Party” and collectively as “Parties.”

2. PURPOSE OF MOU

A. This Agreement represents good faith commitments, which are being made by each of the Parties, for the purpose to effectively and efficiently provide community response to Claremont residents and/or visitors in need of social, emotional, and mental health services and/or that are experiencing chemical dependency or homelessness, by utilizing police resources and trained mental health professionals to take the lead on non-violent, non-criminal calls to law enforcement for assistance, including in response to addressing persons who do not have a permanent residence.

B. A further purpose of this Agreement to outline the roles and responsibilities of the Parties.

3. TERM OF MOU

The term of this MOU shall commence March 1, 2021 and shall be in full force and effect indefinitely or until amended or terminated, in whole or in part, by either Party at any time, without cause, upon thirty (30) calendar days prior written notice to the other Party. Parties Agree to cooperate fully in any such transition.

4. GUIDING PRINCIPALS

A. To provide mental health professional support, during regular TCMHA business hours, to Claremont Police Department when responding to calls from the community that indicate a person is experiencing a mental health issue and/or in need of mental health intervention, including persons who are homeless, whose behavior is non-violent, not criminal and does not require law enforcement intervention.

ATTACHMENT 4-B

B. To expedite access to and enrollment in appropriate level of mental health care for persons referred for intervention in order to mitigate future crises and increase likelihood of stable community and social-emotional functioning; and reduce law enforcement encounters.

5. ROLES AND RESPONSIBILITIES

A. Responsibilities of TCMHA

TCMHA will be responsible for the following:

a. Partner with Claremont Police Department (CPD) to adequately identify, screen, and enroll in services, or refer into appropriate levels of care and services, persons which the Psychiatrist Assessment Care Team (PACT) respond to in real time.

b. Ensure that the PACT coordinate follow-up with CPD for persons placed on California Welfare and Institutions Code 5150 (Lanterman–Petris–Short Act or "LPS") holds after-hours or on weekends to ensure enrollment into a system of care (TCMHA or referred to an outside agency).

c. Ensure that the PACT coordinate with CPD and follow-up of calls made after-hours or on weekends which involved a mental health need that was not referred for 5150 to facilitate access and increase likelihood of engagement to appropriate level of linkage support.

d. Provide two (2) licensed professionals stationed at CPD: one (1) Licensed Clinical Therapist (will be either a Licensed Clinical Social Worker -LCSW, Licensed Marriage And Family Therapist-LMFT, or licensed psychologist Ph.D or Psy.D.); and one (1) Licensed Psychiatric Technician (LPT), which will be, or promptly upon hire receive, Lanterman-Petris-Short(LPS) certification by the County of Los Angeles to write WIC Code 5150 Holds, as needed.

e. PACT take the lead on non-violent, non-criminal calls to law enforcement for assistance.

f. PACT utilize police resources and assistance when applicable.

g. PACT will wear shirts indicating they are TCMHA staff; and will display their TCMHA employment identification card while performing services under this MOU.

h. PACT will take the biannual test of the California Law Enforcement Telecommunications System (CLETS) required to hear, see, and access confidential information through the CPD to performed services under this MOU.

B. Responsibilities of the City

The City will be responsible for the following:

a. CPD will conduct a background investigation (not for peace officer), which will include a LiveScan of fingerprints, of designated TCMHA's PACT staff.

b. Provide office space at CPD building to TCMHA's PACT staff providing services under this Memorandum of Understanding. The office space shall provide privacy to discuss Protected Health Information (PHI); shall be furnished with two (2) desks and two (2) chairs; and have secured Wi-Fi access which will allow TCMHA staff to have internet access.

c. Provide and designate a parking stall at CPD site to TCMHA'S PACT staff.

d. CPD will facilitate the biannual CLETS test to TCMHA's PACT staff.

e. If the CPD writes a California Welfare and Institutions Code 5150 (of the Lanterman–Petris–Short Act or "LPS"), the CPD, or the City's designee, will be responsible for the transportation of persons to any LPS designated facility if an ambulance is not utilized. At the request of the PAC team, the CPD will remain on sight during a 5150 hold to help ensure the care, welfare, safety, and security of everyone present. TCMHA will not provide any transportation to persons to any psychiatric hospitals if a hold is written.

f. Health Insurance Portability and Accountability Act. The City and its officer, employees, agents, or police officers providing services pursuant to this Agreement shall adhere to the requirements of the Health Insurance Portability and Accountability Act (HIPAA), 45 CFR, Parts 160 and 164, 42 CFR, Part 2, and Welfare Institutions Code (WIC) Sections 5328 through 5330, inclusive, and all other applicable County, State, and federal laws, ordinances, rules, regulations, manuals, guidelines, and directives, relating to confidentiality and privacy. The City shall require all its officers, employees, and agents providing services under this Agreement to acknowledge understanding of, and agree to fully comply with, such confidentiality and privacy provisions.

g. Business Associate Agreement. To the extent necessary, TCMHA will furnish Protected Health Information (PHI) to the City (Business Associate) in accordance with all applicable legal requirements to allow law enforcement to perform community response services under this Agreement. The City is required to appropriately safeguard the PHI disclosed to it. Accordingly, the City will sign a *Business Associate Agreement*, incorporated herein as 'Exhibit A', accepting liability for any breach of ePHI or PHI.

C. Mutual Responsibilities of the Parties

a. Each Party shall identify a staff representative for the day-to-day services under this Agreement to ensure timely access to appropriate resources for community response.

b. The Parties will work together to maintain an environment of high quality patient care through specific protocols developed by CPD and PACT to determine the level of response when providing services under this MOU.

c. The Parties will not discriminate against any person because of age, creed, gender identity, national origin, race, sex, sexual orientation or any other basis protected by law.

6. COMPENSATION

No payments, compensation, or fees shall be made between the Parties in connection with this Memorandum of Understanding.

7. NO AGENCY RELATIONSHIP BETWEEN THE PARTIES

A. Nothing in this Agreement is intended to or shall be construed to constitute or establish an agency, employer/employee, partnership, franchise, or fiduciary relationship between the Parties; and neither party shall have the right or authority or shall hold itself out to

have the right or authority to bind the other Party, nor shall either Party be responsible for the acts or omissions of the other except as provided specifically to the contrary herein.

B. TCMHA employees providing services under this Agreement will not be considered employees or agents of the City for any purpose. TCMHA employees will not be entitled to receive any compensation or any benefits of employment from the City, including but not limited to, health care or workers' compensation benefits, vacation, sick time, or any other benefit of employment, direct or indirect.

8. INDEMNITY AND INSURANCE

Each Party shall indemnify, defend and hold harmless the other Party, their elected and appointed officers, employees, representatives, volunteers, and contractors who serve as officers, officials, or staff, from and against any and all liability, including but not limited to demands, claims, actions, suits, accidents, injuries, fees, costs, expenses, liability, and/or proceedings (including attorney and expert witness fees), arising from or connected with each Party's respective acts and/or omissions arising from and/or relating to this Memorandum of Understanding.

9. GENERAL TERMS AND CONDITIONS

A. Governing Law, Jurisdiction and Venue

This Memorandum of Understanding shall be governed by, and construed in accordance with, the laws of the State of California. Parties agree and consent to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California.

B. Representative and Notice

a. TCMHA's Representative. Tri-City Mental Health Authority hereby designates its Executive Director to act as its representative for the performance of this Agreement and shall have the power to act on behalf of TCMHA for all purposes under this Agreement.

b. City's Representative. City warrants that the individual who has signed the Agreement has the legal power, right, and authority to make this Agreement and to act on behalf of the City of Claremont for all purposes under this Agreement.

c. Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties in writing, and will be deemed to have been duly given when delivered personally or when deposited in the United States Mail, First Class, at the following address and addressed as indicated:

If to TCMHA:
Tri-City Mental Health Authority
1717 N. Indian Hill Boulevard, #B
Claremont, CA 91711-2788
Attn: Executive Director

If to the City:
City of Claremont
207 Harvard Avenue
Claremont, CA 91711
Attn: City Manager

10. ENTIRE AGREEMENT

This Agreement and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between the Parties. This Agreement supersedes all prior agreements, written or oral, between TCMHA and the City relating to the subject matter of this Agreement. This Agreement may not be modified, changed or discharged in whole or in part, except by an agreement in writing signed by TCMHA and the City. The validity or unenforceability of any provision of this Agreement declared by a valid judgment or decree of a court of competent jurisdiction, shall not affect the validity or enforceability of any other provision of this Agreement. No delay or omission by TCMHA in exercising any right under this Agreement will operate as a waiver of that or any other right. A waiver or consent given by TCMHA on any one occasion is effective only in that instance and will not be construed as a bar to or waiver of any right on any other occasion or a waiver of any other condition of performance under this Agreement.

11. EXECUTION

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Agreement Date.

**TRI-CITY MENTAL HEALTH
AUTHORITY**

CITY OF CLAREMONT

By: _____
Antonette Navarro, Executive Director

By: _____
Adam Pirrie, Acting City Manager

Attest:

By: _____
Micaela P. Olmos
JPA Administrator/Clerk

Approved as to Form and Content:
DAROLD D. PIEPER, ATTORNEY AT LAW

By: _____
Darold D. Pieper, General Counsel

BUSINESS ASSOCIATE AGREEMENT

This BUSINESS ASSOCIATE AGREEMENT (“**BAA**”) is made as of this 1st day of February, 2020 (the “**Effective Date**”) by and between TRI-CITY MENTAL HEALTH AUTHORITY, a Covered Entity (“**Covered Entity**” or “**CE**”) and the CITY OF CLAREMONT (“**Business Associate**” or “**BA**”) (each a “**party**” and, collectively, the “**parties**”).

RECITALS

A. CE is a “covered entity” under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“**HIPAA**”) and, as such, must enter into so-called “business associate” contracts with certain contractors that may have access to certain consumer medical information.

B. Pursuant to the terms of one or more agreements between the parties, whether oral or in writing, (collectively, the “**Agreement**”), BA shall provide certain services to CE. To facilitate BA’s provision of such services, CE wishes to disclose certain information to BA, some of which may constitute Protected Health Information (“**PHI**”) (defined below).

C. CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the Agreement in compliance with HIPAA, the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (“**HITECH Act**”), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (“**HIPAA Regulations**”) and other applicable laws, including without limitation state patient privacy laws (including the Lanterman-Petris-Short Act), as such laws may be amended from time to time.

D. As part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with BA prior to the disclosure of PHI (defined below), as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(e) and 164.504(e) of the Code of Federal Regulations (“**C.F.R.**”) and contained in this BAA.

NOW, THEREFORE, in consideration of the mutual promises below and the exchange of information pursuant to this BAA, CE and BA agree as follows:

AGREEMENT

I. Definitions.

A. Breach shall have the meaning given to such term under 42 U.S.C. § 17921(1) and 45 C.F.R. § 164.402.

B. Business Associate shall have the meaning given to such term under 42 U.S.C. § 17921 and 45 C.F.R. § 160.103.

C. Consumer is an individual who is requesting or receiving mental health services and/or has received services in the past. Any consumer certified as eligible under the Medi-Cal program according to Title 22, Section 51001 is also known as a beneficiary.

D. Covered Entity shall have the meaning given to such term under 45 C.F.R. § 160.103.

E. Data Aggregation shall have the meaning given to such term under 45 C.F.R. § 164.501.

F. Designated Record Set shall have the meaning given to such term 45 C.F.R. § 164.501.

G. Electronic Protected Health Information or **EPHI** means Protected Health Information that is maintained in or transmitted by electronic media.

H. Electronic Health Record shall have the meaning given to such term under 42 U.S.C. § 17921(5).

I. Health Care Operations shall have the meaning given to such term under 45 C.F.R. § 164.501.

J. Privacy Rule shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.

K. Protected Health Information or **PHI** means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under 45 C.F.R. § 160.103. Protected Health Information includes Electronic Protected Health Information.

L. Protected Information shall mean PHI provided by CE to BA or created or received by BA on CE's behalf.

M. Security Rule shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.

N. Subcontractor shall mean a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate, pursuant to 45 C.F.R. § 160.103.

O. Unsecured PHI shall have the meaning given to such term under 42 U.S.C. § 17932(h), 45 C.F.R. § 164.402 and guidance issued pursuant to the HITECH Act including, but not limited to that issued on April 17, 2009 and published in 74 Federal Register 19006 (April 27, 2009), by the Secretary of the U.S. Department of Health and Human Services (“**Secretary**”).

II. Obligations of Business Associate.

A. Permitted Access, Use or Disclosure. BA shall neither permit the unauthorized or unlawful access to, nor use or disclose, PHI other than as permitted or required by the Agreement, this BAA, or as required by law, including but not limited to the Privacy Rule. To the extent that BA carries out CE's obligations under the Privacy Rule, BA shall comply with the requirements of the Privacy Rule that apply to CE in the performance of such obligations. Except as otherwise limited in the Agreement, this BAA, or the Privacy Rule or Security Rule, BA may access, use, or disclose PHI (i) to perform its services as specified in the Agreement; and (ii) for the proper administration of BA, provided that such access, use, or disclosure would not violate HIPAA, the HITECH Act, the HIPAA Regulations, or applicable state law if done or maintained by CE. If BA discloses Protected Information to a third party, BA must obtain, prior to making any such disclosure, (i) reasonable assurances from such third party that such Protected Information will be held confidential as provided pursuant to this BAA and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) agreement from such third party to promptly notify BA of any Breaches of confidentiality of the Protected Information, to the extent it has obtained knowledge of such Breach.

B. Prohibited Uses and Disclosures. Notwithstanding any other provision in this BAA, BA shall comply with the following requirements: (i) BA shall not use or disclose Protected Information for fundraising or marketing purposes, except as provided under the Agreement and consistent with the requirements of the HITECH Act, the HIPAA Regulations, and applicable state law, including but not limited to 42 U.S.C. § 17936, 45 C.F.R. § 164.508, and 45 C.F.R. § 164.514(f); (ii) BA shall not disclose Protected Information to a health plan for payment or health care operations purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the PHI solely relates, 42 U.S.C. § 17935(a); 45 C.F.R. § 164.522(a); (iii) BA shall not directly or indirectly receive remuneration in exchange for Protected Information, except with the prior written consent of CE and as permitted by the HITECH Act, 42 U.S.C. § 17935(d)(2); 45 C.F.R. § 164.502(a)(5); however, this prohibition shall not affect payment by CE to BA for services provided pursuant to the Agreement.

C. Appropriate Safeguards. BA shall comply, where applicable, with the HIPAA Security Rule, including but not limited to 45 C.F.R. §§ 164.308, 164.310, and 164.312 and the policies and procedures and documentation requirements set forth in 45 C.F.R. § 164.316, and shall implement appropriate safeguards designed to prevent the access, use or disclosure of Protected Information other than as permitted by the Agreement or this BAA. BA shall use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of EPHI.

D. Reporting of Improper Access, Use, or Disclosure.

1. Generally. BA shall provide an initial telephone report to CE's Compliance Contact within twenty-four (24) hours of any suspected or actual breach of security, intrusion or unauthorized access, use, or disclosure of PHI of which BA becomes aware and/or any actual or suspected access, use, or disclosure of data in violation of the Agreement, this BAA, or any applicable federal or state laws or regulations, including, for the avoidance of doubt, any Security Incident (as defined in 45 C.F.R. § 164.304). BA shall take (i) prompt corrective action

to cure any deficiencies in its policies and procedures that may have led to the incident, and (ii) any action pertaining to such unauthorized access, use, or disclosure required of BA by applicable federal and state laws and regulations.

2. Breaches of Unsecured PHI. Without limiting the generality of the reporting requirements set forth in Section D(1), BA shall report to CE any use or disclosure of the information not permitted by this BAA, including any Breach of Unsecured PHI pursuant to 45 C.F.R. § 164.410. Following the discovery of any Breach of Unsecured PHI, BA shall notify CE in writing of such Breach without unreasonable delay and in no case later than three (3) days after discovery. The notice shall include the following information if known (or can be reasonably obtained) by BA: (i) contact information for the individuals who were or who may have been impacted by the Breach (*e.g.*, first and last name, mailing address, street address, phone number, email address); (ii) a brief description of the circumstances of the Breach, including the date of the Breach and date of discovery (as defined in 42 U.S.C. § 17932(c)); (iii) a description of the types of Unsecured PHI involved in the Breach (*e.g.*, names, social security numbers, date of birth, addresses, account numbers of any type, disability codes, diagnostic and/or billing codes and similar information); (iv) a brief description of what the BA has done or is doing to investigate the Breach and to mitigate harm to the individuals impacted by the Breach; (v) any other available information that CE is required to include in notification to the individual under 45 C.F.R. § 164.404.

3. Mitigation. BA shall establish and maintain safeguards to mitigate, to the extent practicable, any deleterious effects known to BA of any unauthorized or unlawful access or use or disclosure of PHI not authorized by the Agreement, this BAA, or applicable federal or state laws or regulations; provided, however, that such mitigation efforts by BA shall not require BA to bear the costs of notifying individuals impacted by such unauthorized or unlawful access, use, or disclosure of PHI, unless (i) otherwise agreed in writing by the parties, (2) BA bears responsibility for the unauthorized or unlawful access or use or disclosure of PHI, or (3) required by applicable federal or state laws or regulations; provided, further, however, that BA shall remain fully responsible for all aspects of its reporting duties to CE under Section D(1) and Section D(2).

E. Business Associate's Subcontractors and Agents. BA shall ensure that any agents or Subcontractors to whom it provides Protected Information agree to the same restrictions and conditions that apply to BA with respect to such PHI. To the extent that BA creates, maintains, receives or transmits EPHI on behalf of the CE, BA shall ensure that any of BA's agents or Subcontractors to whom it provides Protected Information agree to implement the safeguards required by Section C above with respect to such EPHI.

F. Access to Protected Information. To the extent BA maintains a Designated Record Set on behalf of the CE, BA shall make Protected Information maintained by BA or its agents or Subcontractors in Designated Record Sets available to CE for inspection and copying within ten (10) days of a request by CE to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. § 164.524. If BA maintains an Electronic Health Record, BA shall provide such information in electronic format to enable CE to fulfill its obligations under the HITECH Act, including, but not limited to, 42 U.S.C. § 17935(e).

G. Amendment of PHI. To the extent BA maintains a Designated Record Set on behalf of CE, within ten (10) days of receipt of a request from the CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, BA or its agents or Subcontractors shall make PHI available to CE so that CE may make any amendments that CE directs or agrees to in accordance with the Privacy Rule.

H. Accounting Rights. Within ten (10) days of notice by CE of a request for an accounting of disclosures of Protected Information, BA and its agents or Subcontractors shall make available to CE the information required to provide an accounting of disclosures to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. § 164.528, and its obligations under the HITECH Act, including but not limited to 42 U.S.C. § 17935(c), as determined by CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents or Subcontractors for at least six (6) years prior to the request. However, accounting of disclosures from an Electronic Health Record for treatment, payment, or health care operations purposes are required to be collected and maintained for three (3) years prior to the request, and only to the extent BA maintains an electronic health record and is subject to this requirement. At a minimum, the information collected and maintained shall include, to the extent known to BA: (i) the date of the disclosure; (ii) the name of the entity or person who received PHI and, if known, the address of the entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. The accounting must be provided without cost to the individual or the requesting party if it is the first accounting requested by such individual within any twelve (12) month period. For subsequent accountings within a twelve (12) month period, BA may charge the individual or party requesting the accounting a reasonable cost-based fee in responding to the request, to the extent permitted by applicable law, so long as BA informs the individual or requesting party in advance of the fee and the individual or requesting party is afforded an opportunity to withdraw or modify the request. BA shall notify CE within five (5) business days of receipt of any request by an individual or other requesting party for an accounting of disclosures. The provisions of this Section H shall survive the termination of this BAA.

I. Governmental Access to Records. BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to CE and to the Secretary for purposes of determining BA's compliance with the Privacy Rule. BA shall immediately notify CE of any requests made by the Secretary and provide CE with copies of any documents produced in response to such request.

J. Minimum Necessary. BA (and its agents or Subcontractors) shall request, use, and disclose only the minimum amount of Protected Information necessary to accomplish the purpose of the request, use, or disclosure. Because the definition of "minimum necessary" is in flux, BA shall keep itself informed of guidance issued by the Secretary with respect to what constitutes "minimum necessary." Notwithstanding the foregoing, BA must limit its (and its agents or Subcontractors) uses and disclosures of Protected Information to be consistent with CE's minimum necessary policies and procedures as furnished to BA.

K. Permissible Requests by Covered Entity. CE shall not request BA to use or disclose PHI in any manner that would not be permissible under HIPAA or the HITECH Act if done by CE or BA. CE shall not direct BA to act in a manner that would not be compliant with the Security Rule, the Privacy Rule, or the HITECH Act.

L. Breach Pattern or Practice. If CE knows of a pattern of activity or practice of the BA that constitutes a material breach or violation of BA's obligations under this BAA or other arrangement, CE must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, CE must terminate the applicable Agreement to which the breach and/or violation relates if feasible. If BA knows of a pattern of activity or practice of an agent or Subcontractor that constitutes a material breach or violation of the agent or Subcontractor's obligations under its BAA or other arrangement with BA, BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, BA must terminate the applicable agreement to which the breach and/or violation relates if feasible.

III. Indemnification; Limitation of Liability. To the extent permitted by law, BA shall indemnify, defend and hold harmless CE from any and all liability, claim, lawsuit, injury, loss, expense or damage resulting from or relating to the acts or omissions of BA or its agents, Subcontractors or employees in connection with the representations, duties and obligations of BA under this Agreement. Any limitation of liability contained in the applicable Agreement shall not apply to the indemnification requirement of this provision. This provision shall survive the termination of this BAA.

IV. Business Associate's Insurance. BA shall obtain insurance for itself and all its employees, agents and independent contractors in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) annual aggregate of Commercial General Liability insurance and Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) annual aggregate of Errors and Omissions insurance. The Errors and Omissions insurance shall cover, among other things, Breaches. If the general liability or the errors and omissions insurance do not cover, among other things, Breaches, Business Associate should also carry Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) annual aggregate of Cyber/Privacy insurance that covers, among other things, Breaches. BA shall provide CE with certificates of insurance or other written evidence of the insurance policy or policies required herein prior to execution of this BAA (or as shortly thereafter as is practicable) and as of each annual renewal of such insurance policies during the period of such coverage. Further, in the event of any modification, termination, expiration, non-renewal or cancellation of any of such insurance policies, BA shall give written notice thereof to CE not more than ten (10) days following BA's receipt of such notification. If BA fails to procure, maintain or pay for the insurance required under this section, CE shall have the right, but not the obligation, to obtain such insurance. In such event, BA shall promptly reimburse CE for the cost thereof upon written request, and failure to repay the same upon demand by CE shall constitute a material breach of this BAA.

V. Term and Termination.

A. Term. The term of this BAA shall be effective as of the Effective Date and shall terminate when all of the PHI provided by CE to BA, or created or received by BA on behalf of CE, is destroyed or returned to CE.

B. Termination.

1. Material Breach by BA. Upon any material breach of this BAA by BA, CE shall provide BA with written notice of such breach and such breach shall be cured by BA within thirty (30) business days of such notice. If such breach is not cured within such time period, CE may immediately terminate this BAA and the applicable Agreement.

2. Effect of Termination. Upon termination of any of the agreements comprising the Agreement for any reason, BA shall, if feasible, return or destroy all PHI relating to such agreements that BA or its agents or Subcontractors still maintain in any form, and shall retain no copies of such PHI. If return or destruction is not feasible, BA shall continue to extend the protections of this BAA to such information, and limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible.

VI. Assistance in Litigation. BA shall make itself and any subcontractors, employees or agents assisting BA in the performance of its obligations under the Agreements or this BAA available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its shareholders, directors, officers, agents or employees based upon a claim of violation of HIPAA, the HITECH Act, or other laws related to security and privacy, except where BA or its subcontractor, employee or agent is named as an adverse party.

VII. Compliance with State Law. Nothing in this BAA shall be construed to require BA to use or disclose Protected Information without a written authorization from an individual who is a subject of the Protected Information, or without written authorization from any other person, where such authorization would be required under state law for such use or disclosure.

VIII. Compliance with 42 C.F.R. Part 2. CE is also subject to the Confidentiality of Alcohol and Drug Abuse Patient Records regulations, 42 C.F.R. Part 2, which requires certain programs to enter into contracts with qualified service organizations (as defined in 42 C.F.R. § 2.11) that may have access to certain patient medical information. BA acknowledges that in receiving, storing, processing, or otherwise dealing with any Records (as defined in 42 C.F.R. Part 2) from CE, BA is fully bound by 42 C.F.R. Part 2. BA agrees to resist in judicial proceedings any efforts to obtain access to patient records except as permitted by 42 C.F.R. Part 2. To the extent any provisions of 42 C.F.R. Part 2 restricting disclosure of Records are more protective of privacy rights than the provisions of this BAA, HIPAA, the HITECH Act, or other applicable laws, 42 C.F.R. Part 2 controls.

IX. Amendment to Comply with Law. Because state and federal laws relating to data security and privacy are rapidly evolving, amendment of the Agreement or this BAA may be required to provide for procedures to ensure compliance with such developments. BA and CE shall take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule and other applicable laws relating to the security or confidentiality of PHI. BA shall provide to CE satisfactory written assurance that BA will adequately safeguard all PHI. Upon the request of either party, the other party shall promptly enter into negotiations concerning the terms of an amendment to this BAA embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule or other applicable laws. CE may terminate the applicable

Agreement upon thirty (30) days written notice in the event (i) BA does not promptly enter into negotiations to amend the Agreement or this BAA when requested by CE pursuant to this Section or (ii) BA does not enter into an amendment to the Agreement or this BAA providing assurances regarding the safeguarding of PHI that CE, in its reasonable discretion, deems sufficient to satisfy the standards and requirements of applicable laws, within thirty (30) days following receipt of a written request for such amendment from CE.

X. No Third-Party Beneficiaries. Nothing express or implied in the Agreement or this BAA is intended to confer, nor shall anything herein confer upon any person other than CE, BA and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

XI. Notices. All notices hereunder shall be in writing, delivered personally, by certified or registered mail, return receipt requested, or by overnight courier, and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, postage prepaid, or deposited with the overnight courier addressed as follows:

If to CE:

Tri-City Mental Health Authority
1717 N. Indian Hill Blvd., Suite B
Claremont, CA 91711
Attn: Chief Compliance Officer

If to BA:

City of Claremont
207 Harvard Avenue
Claremont, CA 91711
Attn: City Manager

With a copy to:

Hooper, Lundy & Bookman, P.C.
1875 Century Park East, Suite 1600
Los Angeles, CA 90067
Attn: Linda Kollar, Esq.
Fax: 310-551-8181

or to such other persons or places as either party may from time to time designate by written notice to the other.

XII. Interpretation. The provisions of this BAA shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provision in this BAA. This BAA and the Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule. Any ambiguity in this BAA shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the Privacy Rule and the Security Rule. Except as specifically required to implement the purposes of this BAA, or to the extent inconsistent with this BAA, all other terms of the Agreement shall remain in force and effect.

XIII. Entire Agreement of the Parties. This BAA supersedes any and all prior and contemporaneous business associate agreements or addenda between the parties and constitutes the final and entire agreement between the parties hereto with respect to the subject matter hereof. Each party to this BAA acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, with respect to the subject matter hereof, have been made by either party, or by anyone acting on behalf of either party, which are not embodied herein. No other agreement, statement or promise, with respect to the subject matter hereof, not contained in this BAA shall be valid or binding.

XIV. Regulatory References. A reference in this BAA to a section of regulations means the section as in effect or as amended, and for which compliance is required.

XV. Counterparts. This BAA may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this BAA as of the BAA Effective Date.

AGREED AND ACCEPTED:

TRI-CITY MENTAL HEALTH
AUTHORITY

Name of Covered Entity

Authorized Signature

Antonette Navarro

Print Name

Executive Director

Print Title

Date

CITY OF CLAREMONT

Name of Business Associate

Authorized Signature

Adam Pirrie

Print Name

Acting City Manager

Print Title

Date



**Tri-City Mental Health Authority
MONTHLY STAFF REPORT**

DATE: February 17, 2021

TO: Governing Board of Tri-City Mental Health Authority

FROM: Toni Navarro, LMFT, Executive Director

SUBJECT: Executive Director's Monthly Report

COVID-19 OPERATIONS UPDATE FROM HUMAN RESOURCES

Since March 13, 2020, Tri-City has made quick adjustments to accommodate the ever-changing requirements associated with the COVID-19 pandemic in a continued effort to keep our employees, clients and community safe. Our Information Technology and Human Resources Department quickly established a telecommuting policy and outfitted our employees with laptops, cellphone and other equipment to successfully work from home and perform telehealth services. Additionally, our Facilities Department has long since established a more frequent and widespread cleaning and disinfecting plan which includes regular sanitation of Tri-City's public and high traffic areas such as lobbies, receptions, break and lunch areas, copier areas and restrooms throughout the day. In October 2020, the Facilities Department published a COVID-19 addendum to our Illness Injury and Prevention Plan which outlines further training and preventative measures Tri-City has taken such as courses on personal protective equipment, physical distancing measures, and education on how respiratory viruses spread.

Tri-City has abided by the CDC and CA Department of Public Health's quarantine guidelines. Initially our quarantine period was 14 days, but has since been reduced to 10 days in accordance with County and State guidance. In addition to reducing our quarantine period, Tri-City's Human Resources Department introduced an Administrative Order on January 6, 2021 requiring all employees to self-certify that they are free of symptoms that could be related to COVID-19 before entering any Tri-City location. This order requires each employee to self-check each morning prior to traveling to work to determine if they are in good health and free of symptoms. This order also outlined quarantine period requirements and return to work protocols.

On January 20, 2021, the Governing Board approved Tri-City's COVID-19 Prevention Program ("CPP") as required by Cal/OSHA which summarizes all of the aforementioned preventative measures and requirements into one standalone document.

To date, of 212 employees, Tri-City has had 35 staff test positive for the COVID-19 virus. Of those 35 staff members (16.51% of our workforce), only 3 (8.82%) of those cases were work-related. We contribute our low work-related transmission rate to all of our employees continued efforts to follow physical distancing protocols, personal cleaning and disinfecting of their work areas, and remaining out of the workplace when ill.

OTHER HUMAN RESOURCES UPDATES

Staffing – Month Ending January 2021:

- Total Staff is 191 full-time and 22 part-time plus 20 full time vacancies for a total of 222 positions.
- There were 3 new hires in January.
- There were 3 separations in January.

Workforce Demographics January 2021

- American Indian or Alaska Native = 0.47%
- Asian = 8.02%
- Black or African American = 8.49%
- Hispanic or Latino = 56.60%
- Native Hawaiian or Other Pacific Islander = 0.47%
- Other = 8.96%
- 2 or more races = 0.94%
- White or Caucasian = 16.04%

Posted Positions in January 2021

- Chief Information Officer (1 FTE)
- Clinical Supervisor I School Partnership (1 FTE) 1 hire pending
- Clinical Supervisor I COP (1 FTE)
- Clinical Therapist I/II Adult FSP Bilingual & Non (4 FTEs)
- Clinical Therapist I AOP Bilingual & Non-Bilingual (3 FTE) 2 hires pending
- Clinical Therapist I/II COP (1 FTE)
- Clinical Therapist I/II COP School Partner. Bilingual (1 FTE)
- Information Technology Specialist I (1 FTE)
- Mental Health Specialist Adult FSP (2 FTEs) 1 hire pending
- Program Supervisor I (1 FTE)
- Psychiatric Technician I/II/III – Adult FSP (1 FTE)

BRAND PURPOSE + TRI-CITY COMMUNITY ASSESSMENT AND FEEDBACK SESSIONS UPDATE

On February 2-4, Brand Purpose conducted a “Future-Search” conference event for Tri-City. As discussed in last month’s report, this 2.5 day event was a comprehensive discussion, review, and planning of mental health needs, services and anticipated future needs in the three cities’ region. Leader from 30+ agencies across Claremont, La Verne, and Pomona representing public safety, local government, education, social services, and health services attended.

Throughout the event participants were divided into working groups completing worksheets of questions aimed at creating a “road-map” and recommendations for what a thriving and mentally well three cities’ community could be. On the final day, each group presented out to the larger group their ideas/plan.

In next steps, the Brand Purpose team will compile all the information from that event and create a comprehensive report. Additionally, Governing Board members, Mental Health Commission members, and Tri-City staff will soon receive an email inviting their input and participation in focus groups to further discuss community needs, as well as to begin to look inward and explore Tri-City’s organizational culture, strengths and values.

HOUSING DIVISION SUCCESS STORIES

As the new year started, an 82 year old tenant at Parkside Family Apartments released their unit as they made a decision that they needed a higher level of care. This tenant moved-in to their apartment in 2016. During that time, they remained compliant with their lease at the property and was always identified as a good tenant. They regularly communicated with the Residential Services Coordinator (RSC) who helped them get connected with In-Home Supportive Services so that they could make sure they were getting their basic needs met. Over the last year, the RSC collaborated with their treatment team as it was identified that they were showing signs of more deteriorated health. This was not easy for the tenant to hear but the conversation continued with the team and it was brought up periodically to the tenant while presenting options available to them. When they announced they wanted to enter a Board and Care program, the team supported the tenant and worked to help make the process a smooth one.

The vacancy opened up the opportunity for a Tri-City client, who was a Project Roomkey participant, to apply for the unit. This applicant is one who has been struggling with their own health issues. The client has been patient and persistent with their goals of increasing income and getting housed. They are still going through the application process but has expressed gratitude for having this opportunity after years of being homeless.

INFORMATION TECHNOLOGY (IT) DIVISION UPDATE

As COVID has continued to require modified operations, the IT team is continuously identifying ways to improve internal operations, as well as client access to services through technology. We are currently rolling out RingCentral agency-wide to allow for better call management and more efficient internal communications. We are also working with the Quality Improvement Committee to identify difficulties clients have had accessing resources during this time and creating agency-wide policies and implementing technology to address these concerns.

Additionally, we are in a busy recruiting season, hiring from both a permanent Chief Information Officer to provide leadership and strategy for the IT department, as well as an IT Specialist I to assist with the ever-increasing need for technological assistance.

ADDRESSING COMMUNITY QUESTIONS AND MISINFORMATION

On January 27th, by then former Tri-City Governing Board Member and City of Pomona Council Member Nora Garcia, sent the Executive Director an email reiterating information, concerns and questions she had received from a member of a local youth social action group, HYPE. This update is being provided to correct misinformation specific to Tri-City and inaccurate comments about the response of its Board and staff. Moreover, the questions asked in regards to Tri-City operations and services access are very welcomed and will be answered in this public forum for not only for the benefit of the Governing Board who may, as was Council Member Garcia, be contacted about how and where to get services and how to access care; but is being presented also for the benefit of those listening in to this meeting and/or later accessing Tri-City's Governing Board Meeting Minutes.

In their outreach and request to Council Member Nora Garcia, the HYPE representative stated that their organization had asked for collaboration with Tri-City during public comments in a recent Governing Board meeting but "*never received a response*". This is not accurate. The following are two separate instances of Tri-City leadership engaging with the group as a direct result of their public comments at Tri-City's Governing Board meeting on November 18, 2020:

- Tri-City's JPA Administrator/Clerk received public comments via email for reading at that evening's monthly Governing Board Meeting. In their comments that were read during the Public Comment portion of the meeting, the social action youth group, HYPE, stated in their written comments which were specifically directed to Tri-City's Governing Board: "*We plan on reaching out to you soon to discuss our research findings and some ideas on how we can support Tri City(sic). Thank you for your time.*"
- Directly following those comments, Vice-Chair and Claremont Councilman Jed Leano, stated he would certainly meet with the group. He met with the group on January 13, 2021.

Although HYPE did not reach out to anyone on the Executive Team, in response to their expressed hopes for collaboration, Tri-City's Executive Director asked MHSA Director, Rimmi Hundal and Tri-City's consultant, Jeremy Zimmerman of Brand Purpose, to reach out to the woman who emailed us the comments in November, as well as the Executive Director of their parent organization, Gente Organizada, to join us in our project to conduct a community assessment and develop priorities as Tri-City plans for the next few years as the public mental health authority for the three cities. Therefore, the HYPE/Gente Organizada members were invited to attend a select group, which due to COVID-19 an extra step was added in our process, of only a few key leaders from the three cities to assist Tri-City in planning how to best organize and engage the larger stakeholder community in a 2.5 day completely virtual event. After attending 2 of the 3 pre-conference sessions, the representatives notified Tri-City they no longer desired to be a part of that

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process as they did not see value as it was not what they expected. However, in an email to MHSA Director Rimmi Hundal, the group's Executive Director stated: "*While we do not wish to be a part of the Design Team, we would still like to attend the conference itself as we want to provide a platform for those in our community to address their concerns and ideas around mental health. We thank you again for this opportunity and wish you success in the conference.*" Unfortunately, no one from the organization attended the conference.

Another concern expressed to Council Member Garcia was that despite having been an MHSA Community Grants award recipient twice in the last 3 years, the HYPE group felt there was still "*a lack of communication between them and Tri-City*". As part of the grants program, leads of grantee organizations are scheduled for monthly calls with Tri-City staff who oversees the program and all grantees convene quarterly for training, check in, and opportunity to meet, again, with Tri-City staff. Both staff who worked with the group in their two grant periods continue to be on staff here at Tri-City and can be reached during business hours Monday-Friday. Even when a grantee organization is no longer an active recipient, they are welcome and encouraged keep in touch with Tri-City for whatever is needed and to maintain the network resource relationship.

In their communication, the HYPE representative also noted an instance, one previously communicated to the Executive Director back in 2019 at an annual report event the group held, that they are aware of a case in which a person who was expressing suicidal ideation was not connected to ongoing services for nearly two months after making initial contact with Tri-City. Tri-City agrees that was an obvious lapse and unacceptable length of time for any person to wait for services. In regards to both of these comments and as previously stated to the group, the Executive Director reiterates that any time a community member, potential client or family member reaches out to a Tri-City staff member and does not receive a call back in a timely manner, they are asked/encouraged to call the JPA Administrator/Clerk and/or the Executive Director directly for assistance.

HYPE also expressed a few comments/concerns/questions related to their perception that Tri-City is not doing enough to communicate the availability of its services to the community, especially during this time of the pandemic and wondered how we can improve. We appreciate the group's feedback and welcome them to share their ideas about what Tri-City can do to meet their constituents' needs for more information on how to connect with Tri-City. Nevertheless, Tri-City has been very proactive in ensuring that communication is maintained with the community; the following are some things we have done since the start of the COVID-19 crisis to get the word out that we are open and how to access us:

- In April 2020, we purchased 6 large (5' X 20') bright blue Tri-City logo banners to post on the front of all of our sites, including the Garden, to ensure that our cities were aware that we remained open and/or that we provide 24/7 support. The banners state in large orange-gold letters some version of the phrase: "We are here for you 24/7/Call us anytime for mental health support (866) 823-9500".

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- At the same time, Tri-City also purchased several hundred refrigerator magnets that match the banners and handed those out via Community Navigators, IOET, and handed them out at our sites.
- In addition we added two large 'buttons' on the main page at Tri-City's website announcing in English and Spanish "Help is available 24/7/Supplemental Crisis Line (866) 623-9500".
- We increased our presence in social media (Facebook, Twitter, LinkedIn, Instagram).
- Tri-City also got involved in new and existing projects such as the weekly meeting of the Pomona Mayor's COVID-19 Action Committee and various sub-committees of Pomona's Promise (which promotes community engagement and collaboration to address creating wellness for all Pomona residents) in order to increase communication to the public, in this especially difficult time, that Tri-City is open and has completely pivoted all of its programs to support telehealth and online community support.
- Tri-City's Adult and Child/Family clinics never closed during the pandemic. Business hours remain, Monday-Friday 8:30am-5pm. However, all treatment services can also now and for remainder of the COVID-19 public health crisis be conducted online via video or by telephone.
- Residents of the three cities can access an appointment by either walking in or calling Tri-City's main numbers (909) 623-6131 or toll free at (866) 623-9500. As reported each month in the Chief Clinical Officer's board report, Tri-City receives about 200 requests for services each month between the adult, child/family, and IOET services.
- Tri-City also continues to have 24/7 support for both its enrolled clients via their treatment teams, or for persons not enrolled via the after-hours Supplemental Crisis Line. All of these 24/7 services can be reached by calling either of the two numbers listed above.
- Tri-City has contracted with the same answering service, Barbara's Answering Service (BAS), for nearly 20 years and the team at BAS are well-trained and well-versed in the types of calls Tri-City receives after hours and how to quickly and efficiently connect them to the appropriate team or to route them to 911 if needed.

Finally, the HYPE representative had various questions and concerns for Council Member Garcia about Tri-City's involvement with PUSD. Tri-City has enjoyed a collaborative relationship with PUSD for several years. Two years ago, the partnership was further strengthened and expanded when Tri-City created the School Partnership Team (SPT) which staffs clinical therapists, mental health specialists and a clinical supervisor to work exclusively with school counseling teams at PUSD and Claremont Unified. As in all other child/family clinical services, PUSD supplies over 85% of the student referrals to SPT. PUSD and Tri-City have a standardized referral form that can be either completed by a teacher, a school staff or at a parent's request. The SPT and PUSD counseling team, even during COVID-19 pandemic, meet via Zoom on the 3rd Tuesday of the month to discuss referrals and student/family needs.

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It is important to clarify, that as a public mental health agency, Tri-City is charged with serving individuals (children to older adults) who are experiencing moderate to severe symptoms of mental illness/emotional disturbance. Furthermore, mental health treatment services, like medical services, require parental permission for persons under 18 years of age. Unlike exceptions for minors who are requesting reproductive services or are pregnant, the law requires that youth seeking mental health therapy services have permission from their parents. However, non-therapy support groups and prevention/early intervention activities do not require parental permission. The Tri-City Wellness Center offers such groups and, since May 2020, has also been able to provide their groups online via the video platform Ring Central and by conference phone.

The City of Pomona recently also launched “virtual community centers” and Tri-City recently began providing video support groups via that platform as well. The MHSA Director can give us more details about that new collaboration and those groups.

We thank former Board Member Garcia for reaching out to share her communication with HYPE and allowing Tri-City the opportunity to address their comments, correct misinformation, and provide important information about the Agency’s adapted and ongoing services during the COVID-19 crisis.

We appreciate HYPE’s interest in helping to make Tri-City more visible to the community; and we encourage HYPE to participate in our MHSA Stakeholder process. One final question the group has was about whether or not there is a process for “auditing” or “evaluating” of Tri-City regularly to discuss “What is working? What is not?” The answer is yes, the legally mandated MHSA Stakeholder Process and Annual MHSA Review and Report are just that—a required opportunity every year for the public in the three cities to engage in various meetings and Ad Hoc Committees that review the annual data and performance outcomes of all Tri-City’s MHSA programs. Those meetings are publicized via flyers, news ads, on our website, and announced at numerous different kind of meetings held throughout the community. Further, as Tri-City is a governmental agency, all of its monthly Mental Health Commission and Governing Board meetings are open to the public and all MHSA meetings are also announced there. The Commission meets the 2nd Tuesday of every month at 3:30 pm; the Governing Board meets every 3rd Wednesday of the month at 5:00 pm. Twice a year, in May and December, the Commission and Board meet together on the 3rd Wednesday of the month at 5pm. The links to join those meetings online are provided at our website, www.tricitymhs.org. However, if anyone ever has difficulty finding that information they can contact Tri-City’s JPA Administrator/Clerk Mica Olmos. Lastly, if someone is unable to attend or would like to refer back to information discussed at a Commission or Board meeting, agendas and minutes are available on our website.



**Tri-City Mental Health Authority
MONTHLY STAFF REPORT**

DATE: February 17, 2021

TO: Governing Board of Tri-City Mental Health Authority
Toni Navarro, LMFT, Executive Director

FROM: Diana Acosta, CPA, Chief Financial Officer

SUBJECT: Monthly Finance Report

**UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED
DECEMBER 31, 2020 (2021 FISCAL YEAR-TO-DATE):**

The financials presented herein are the PRELIMINARY and unaudited financial statements for the six months ended December 31, 2020. These financial statements include the activities from the clinical outpatient operations as well as activities from the implemented MHSA programs under the CSS, PEI, INN, WET and CFTN plans.

The increase in net position (income) is approximately \$6.4 million. MHSA operations accounted for approximately \$6.1 million of the increase which is primarily the result of recognizing MHSA revenues on hand at the beginning of the fiscal year. MHSA non-operating revenues are reflected when MHSA funds have been received and are eligible to be spent.

During fiscal 2020, Tri-City received MHSA funding of approximately \$10.2 million, of which \$6.6 million were for approved programs for fiscal 2020-21 MHSA operations and was reflected as MHSA Revenue Restricted for Future Period on the Statement of Net Position (balance sheet) at June 30, 2020. These restricted MHSA revenues have now been recorded as non-operating revenues in fiscal 2020-21. In addition, during fiscal 2020-21 approximately \$8.3 million in MHSA funding has been received of which \$6.0 million was identified and approved for use in the current fiscal year 2020-21 and recorded as non-operating revenues, bringing the total MHSA non-operating revenues recognized to date up to approximately \$12.6 million. Unlike the requirement to reflect all available and **approved** MHSA funding when received as non-operating revenues, MHSA operating costs are reflected when incurred. Therefore, the matching of revenue to expense is not consistent as the timing of expenditures will lag behind the timing of revenue recognition.

The remaining increase in net position of approximately \$282 thousand is from Clinic outpatient operations, which is the result of operations for the six months ended December 31, 2020.

The total cash balance at December 31, 2020 was approximately \$33.2 million which represents an increase of approximately \$2.0 million from the June 30, 2020 balance of approximately \$31.1 million.

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Outpatient Clinic operations, after excluding any intercompany receipts or costs resulting from MHSA operations, had a decrease in cash of approximately \$132 thousand. MHSA operations reflected an increase in cash of approximately \$2.2 million, after excluding intercompany receipts or costs resulting from clinic operations. The increase reflects the receipt of approximately \$8.3 million in MHSA funds offset by the use of cash for MHSA operating activities. MHSA dollars (which are derived through the receipts of 1% of millionaire's income taxes) were delayed as a direct result of extending tax return deadlines and as such all behavioral health agencies experienced a reduction in cash receipts in the last few months of the previous fiscal year. As the tax filing deadline has now passed, Tri-City received \$4.5 million in the August distribution (based on July's tax remittances) of MHSA funds, thus resulting in an overall increase in cash in MHSA.

Approximately \$4.9 million in Medi-Cal cash receipts have been collected for both Outpatient Clinic Operations and MHSA Operations within the six months ended December 31, 2020. Additionally, approximately \$1.7 million has been received through February 11, 2021. Of total amounts received in the current fiscal year, approximately \$1.6 million is related to interim cost report settlements covering fiscal years 2013-14, 2015-16 and 2016-17.

UPCOMING, CURRENT EVENTS & UPDATES

Overall Financial Update:

We are continuing to closely monitor for any new developments and updated revenue projections from CBHDA. As highlighted previously, the current revenue projections by CBHDA estimate that some revenues (such as MHSA revenues) will increase in fiscal year 2020-21 as a result of delays in tax returns, however these same revenues are expected to decrease in the following years (through FY 2022/23). As such, planning appropriately to ensure we meet the needs of our community, and having the ability to make changes as we go will be necessary in the upcoming years, especially if projections wind up being significantly different than currently projected.

FY 2020-21 Bankruptcy Payments

The total bankruptcy liability balance as of the date of this report is currently \$331,064. On September 21, 2020 a distribution of \$325,000 was made and distributed to CA DHCS and LAC DMH in the amounts of \$128,161 and \$196,839, respectively. Along with the distributions, management included confirmation letters to both parties asking that the final pay off amounts be confirmed as management expects to make the final bankruptcy distributions at the earliest possible date.

MHSA Funding Updates

Estimated Current Cash Position – The following table represents a brief summary of the estimated current MHSA cash position as of the six months ended December 31, 2020 which includes estimates to project the ending cash balance at June 30, 2021.

	MHSA
Cash at December 31, 2020	\$ 26,048,241
Receivables net of Reserve for Cost Report Settlements	(12,029)
Prudent Reserves	(2,200,000) *
Estimated Remaining Expenses for Operations FY 2020-21	(6,428,283) **
Reserved for future CFTN Projects including TCG	(1,247,389)
Reserved for Future Housing Projects	<u>(2,800,000) ****</u>
Total Estimated Adjustments to Cash	(12,687,701)
Estimated Available at June 30, 2021	<u>\$ 13,360,540</u>
Remaining estimated funds to be received in FY 2020-21	\$ 3,024,831 **

* Per the recently approved SB 192, Prudent Reserves are now required to be maintained at an amount that does not exceed 33% of the average Community Services and Support (CSS) revenue received for the fund, in the preceding 5 years.

** Estimated based on adopted operating budget for Fiscal Year 2020-21, actual and estimated amounts to year end (06/30/2021).

****In addition to the \$1.2 Million, an additional \$1.6 Million was designated for housing, as approved at the May 15, 2019 Governing Board Meeting.

Attachments

Attachment 6-A: December 31, 2020 Unaudited Financial Statements

**TRI-CITY MENTAL HEALTH AUTHORITY
CONSOLIDATING STATEMENTS OF NET POSITION**

	AT DECEMBER 31, 2020			AT JUNE 30, 2020		
	TCMH	MHSA	Consolidated	TCMH	MHSA	Consolidated
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited
Current Assets						
Cash	\$ 7,132,961	\$ 26,048,241	\$ 33,181,202	\$ 7,395,355	\$ 23,736,461	\$ 31,131,816
Accounts receivable, net of reserve for uncollectible accounts \$515,696 at December 31, 2020 and \$543,736 at June 30, 2020	3,928,251	2,529,335	6,457,586	4,191,840	2,588,279	6,780,119
Total Current Assets	<u>11,061,212</u>	<u>28,577,576</u>	<u>39,638,788</u>	<u>11,587,195</u>	<u>26,324,740</u>	<u>37,911,935</u>
Property and Equipment						
Land, building, furniture and equipment	3,814,696	9,513,575	13,328,271	3,699,755	9,384,214	13,083,969
Accumulated depreciation	(2,447,401)	(3,642,747)	(6,090,148)	(2,403,631)	(3,434,225)	(5,837,856)
Total Property and Equipment	<u>1,367,295</u>	<u>5,870,827</u>	<u>7,238,122</u>	<u>1,296,123</u>	<u>5,949,989</u>	<u>7,246,112</u>
Other Assets						
Deposits and prepaid assets	176,228	454,162	630,390	70,955	491,199	562,154
Total Noncurrent Assets	<u>1,543,523</u>	<u>6,324,989</u>	<u>7,868,512</u>	<u>1,367,079</u>	<u>6,441,188</u>	<u>7,808,267</u>
Total Assests	<u>\$ 12,604,734</u>	<u>\$ 34,902,566</u>	<u>\$ 47,507,300</u>	<u>\$ 12,954,274</u>	<u>\$ 32,765,928</u>	<u>\$ 45,720,202</u>
Deferred Outflows of Resources						
Deferred outflows related to the net pension liability	2,776,741	-	2,776,741	2,776,741	-	2,776,741
Total Deferred Outflows of Resources	<u>2,776,741</u>	<u>-</u>	<u>2,776,741</u>	<u>2,776,741</u>	<u>-</u>	<u>2,776,741</u>
Total Assets and Deferred Outflows of Resouces	<u>\$ 15,381,476</u>	<u>\$ 34,902,566</u>	<u>\$ 50,284,041</u>	<u>\$ 15,731,015</u>	<u>\$ 32,765,928</u>	<u>\$ 48,496,943</u>
LIABILITIES						
Current Liabilities						
Accounts payable	269,111	-	269,111	235,067	188,826	423,893
Accrued payroll liabilities	88,092	148,024	236,117	561,169	80,419	641,589
Accrued vacation and sick leave	647,915	1,025,156	1,673,071	604,179	865,609	1,469,787
Reserve for Medi-Cal settlements	3,176,326	2,541,364	5,717,690	2,942,066	2,366,312	5,308,378
Current portion of mortgage debt	30,688	-	30,688	30,688	-	30,688
Total Current Liabilities	<u>4,212,133</u>	<u>3,714,545</u>	<u>7,926,677</u>	<u>4,373,168</u>	<u>3,501,166</u>	<u>7,874,334</u>
Intercompany Acct-MHSA & TCMH	240,972	(240,972)	-	370,961	(370,961)	-
Long-Term Liabilities						
Mortgages and home loan	756,585	88,309	844,894	771,683	88,309	859,992
Net pension liability	5,462,528	-	5,462,528	5,462,528	-	5,462,528
Unearned MHSA revenue	-	2,604,849	2,604,849	-	276,421	276,421
Total Long-Term Liabilities	<u>6,219,113</u>	<u>2,693,158</u>	<u>8,912,271</u>	<u>6,234,211</u>	<u>364,730</u>	<u>6,598,940</u>
Liabilities Subject to Compromise						
Class 2 General Unsecured Claims	-	-	-	-	-	-
Class 3 Unsecured Claim of CAL DMH	200,512	-	200,512	397,351	-	397,351
Class 4 Unsecured Claim of LAC DMH	130,552	-	130,552	258,713	-	258,713
Total Liabilities Subject to Compromise	<u>331,064</u>	<u>-</u>	<u>331,064</u>	<u>656,064</u>	<u>-</u>	<u>656,064</u>
Total Liabilities	<u>11,003,282</u>	<u>6,166,730</u>	<u>17,170,012</u>	<u>11,634,403</u>	<u>3,494,935</u>	<u>15,129,339</u>
Deferred Inflow of Resources						
MHSA revenues restricted for future period	-	-	-	-	6,625,123	6,625,123
Deferred inflows related to the net pension liability	217,236	-	217,236	217,236	-	217,236
Total Deferred Inflow of Resources	<u>217,236</u>	<u>-</u>	<u>217,236</u>	<u>217,236</u>	<u>6,625,123</u>	<u>6,842,359</u>
NET POSITION						
Invested in capital assets net of related debt	580,022	5,870,827	6,450,849	493,753	5,949,989	6,443,742
Restricted for MHSA programs	-	22,410,846	22,410,846	-	16,204,682	16,204,682
Unrestricted	3,580,936	454,162	4,035,098	3,385,622	491,199	3,876,821
Total Net Position	<u>4,160,957</u>	<u>28,735,836</u>	<u>32,896,793</u>	<u>3,879,375</u>	<u>22,645,870</u>	<u>26,525,245</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 15,381,476</u>	<u>\$ 34,902,566</u>	<u>\$ 50,284,041</u>	<u>\$ 15,731,015</u>	<u>\$ 32,765,928</u>	<u>\$ 48,496,943</u>

Definitions:

TCMH=Tri-City's Outpatient Clinic

MHSA=Mental Health Services Act (Proposition 63)

TRI-CITY MENTAL HEALTH AUTHORITY
CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
SIX MONTHS ENDED DECEMBER 31, 2020 AND 2019

	PERIOD ENDED 12/31/20			PERIOD ENDED 12/31/19		
	TCMH Unaudited	MHSA Unaudited	Consolidated Unaudited	TCMH Audited	MHSA Audited	Consolidated Audited
OPERATING REVENUES						
Medi-Cal FFP	\$ 1,814,888	\$ 1,586,388	\$ 3,401,276	\$ 1,729,437	\$ 1,493,537	\$ 3,222,974
Medi-Cal FFP FYE Prior Year	126,765	1,894	128,659	-	-	-
Medi-Cal SGF-EPSDT	434,070	320,471	754,540	432,766	294,572	727,338
Medi-Cal SGF-EPSDT Prior Year	(29,906)	15,202	(14,704)	-	-	-
Medicare	640	1,018	1,658	2,255	1,364	3,619
Grants and contracts	285,271	14,533	299,805	8,486	14,533	23,019
Patient fees and insurance	340	-	340	1,541	-	1,541
Rent income - TCMH & MHSA Housing	14,737	44,358	59,094	17,365	43,158	60,524
Other income	87,198	324	87,522	739	349	1,087
Net Operating Revenues	2,734,002	1,984,188	4,718,191	2,192,589	1,847,513	4,040,102
OPERATING EXPENSES						
Salaries, wages and benefits	3,927,797	6,153,308	10,081,105	3,417,383	5,499,491	8,916,874
Facility and equipment operating cost	325,360	570,566	895,926	330,253	691,718	1,021,971
Client lodging, transportation, and supply expense	160,853	1,014,413	1,175,266	66,966	342,607	409,573
Depreciation	72,124	208,522	280,647	44,685	175,246	219,930
Other operating expenses	300,902	655,375	956,278	297,966	639,793	937,759
Total Operating Expenses	4,787,036	8,602,185	13,389,221	4,157,251	7,348,856	11,506,107
OPERATING (LOSS) (Note 1)	(2,053,034)	(6,617,997)	(8,671,031)	(1,964,663)	(5,501,343)	(7,466,005)
Non-Operating Revenues (Expenses)						
Realignment	2,267,392	-	2,267,392	1,948,525	-	1,948,525
MHSA funds	-	12,622,717	12,622,717	-	11,110,355	11,110,355
Housing & Community Dev.-NPLH	(8,000)	-	(8,000)	-	-	-
Pomona Vision 2030 Project	78,000	-	78,000	-	-	-
Interest Income	17,456	85,246	102,702	52,807	271,008	323,814
Interest expense	(20,233)	-	(20,233)	(20,981)	-	(20,981)
Total Non-Operating Revenues (Expense)	2,334,616	12,707,963	15,042,578	1,980,351	11,381,363	13,361,714
INCOME (LOSS)	281,582	6,089,966	6,371,548	15,688	5,880,020	5,895,708
INCREASE (DECREASE) IN NET POSITION	281,582	6,089,966	6,371,548	15,688	5,880,020	5,895,708
NET POSITION, BEGINNING OF YEAR	3,879,375	22,645,870	26,525,245	3,229,029	21,242,083	24,471,112
NET POSITION, END OF MONTH	\$ 4,160,957	\$ 28,735,836	\$ 32,896,793	\$ 3,244,717	\$ 27,122,103	\$ 30,366,820

(Note 1) "Operating Loss" reflects loss before realignment funding and MHSA funding which is included in non-operating revenues.

Definitions:

Medi-Cal FFP= Federal Financial Participation Reimbursement

Medi-Cal SGF-EPSDT=State General Funds reimbursement for Medi-Cal services provided to children under the "Early and Periodic Screening, Diagnosis and Treatment" regulations.

TCMH=Tri-City's Outpatient Clinic

MHSA=Mental Health Services Act (Proposition 63)

**TRI-CITY MENTAL HEALTH AUTHORITY
CONSOLIDATING STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED DECEMBER 31, 2020 AND 2019**

	PERIOD ENDED 12/31/20			PERIOD ENDED 12/31/19		
	TCMH Unaudited	MHSA Unaudited	Consolidated Unaudited	TCMH Audited	MHSA Audited	Consolidated Audited
Cash Flows from Operating Activities						
Cash received from and on behalf of patients	\$ 3,223,185	\$ 2,173,902	\$ 5,397,087	\$ 2,568,256	\$ 2,163,028	\$ 4,731,284
Cash payments to suppliers and contractors	(858,342)	(2,392,143)	(3,250,486)	(794,048)	(2,337,069)	(3,131,117)
Payments to employees	(4,357,137)	(5,926,156)	(10,283,293)	(3,345,413)	(5,385,032)	(8,730,445)
	<u>(1,992,295)</u>	<u>(6,144,397)</u>	<u>(8,136,692)</u>	<u>(1,571,205)</u>	<u>(5,559,073)</u>	<u>(7,130,278)</u>
Cash Flows from Noncapital Financing Activities						
MHSA Funding	-	8,290,332	8,290,332	-	5,888,367	5,888,367
CalHFA-State Administered Projects	-	35,690	35,690	-	-	-
Realignment	2,267,392	-	2,267,392	2,553,238	-	2,553,238
Housing & Community Development.-NPLH	(8,000)	-	(8,000)	-	-	-
Pomona Vision 2030 Project-Ballmer Group	78,000	-	78,000	-	-	-
	<u>2,337,392</u>	<u>8,326,022</u>	<u>10,663,414</u>	<u>2,553,238</u>	<u>5,888,367</u>	<u>8,441,605</u>
Cash Flows from Capital and Related Financing Activities						
Purchase of capital assets	(143,296)	(129,361)	(272,657)	(165,733)	(21,427)	(187,160)
Principal paid on capital debt	(15,098)	-	(15,098)	(14,349)	-	(14,349)
Interest paid on capital debt	(20,233)	-	(20,233)	(20,981)	-	(20,981)
Intercompany-MHSA & TCMH	(129,988)	129,988	-	187,082	(187,082)	-
	<u>(308,614)</u>	<u>627</u>	<u>(307,987)</u>	<u>(13,981)</u>	<u>(208,509)</u>	<u>(222,491)</u>
Cash Flows from Investing Activities						
Interest received	26,122	129,528	155,650	55,572	270,622	326,193
	<u>26,122</u>	<u>129,528</u>	<u>155,650</u>	<u>55,572</u>	<u>270,622</u>	<u>326,193</u>
Cash Flows from Reorganization Items						
Cash payments to Bankruptcy Class 3 and 4 Unsecured	(325,000)	-	(325,000)	(1,030,000)	-	(1,030,000)
	<u>(325,000)</u>	<u>-</u>	<u>(325,000)</u>	<u>(1,030,000)</u>	<u>-</u>	<u>(1,030,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(262,395)	2,311,780	2,049,385	(6,376)	391,406	385,030
Cash Equivalents at Beginning of Year	7,395,355	23,736,461	31,131,816	7,483,365	24,449,208	31,932,573
Cash Equivalents at End of Month	<u>\$ 7,132,961</u>	<u>\$ 26,048,241</u>	<u>\$ 33,181,202</u>	<u>\$ 7,476,989</u>	<u>\$ 24,840,615</u>	<u>\$ 32,317,603</u>

Definitions:

TCMH=Tri-City's Outpatient Clinic

MHSA=Mental Health Services Act (Proposition 63)

TRI-CITY MENTAL HEALTH AUTHORITY
CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL TO BUDGET COMPARISON
SIX MONTHS ENDING DECEMBER 31, 2020
(UNAUDITED)

	TRI-CITY MENTAL HEALTH OUTPATIENT CLINIC (TCMH)			TRI-CITY MENTAL HEALTH SERVICES ACT (MHSA)			TRI-CITY MENTAL HEALTH AUTHORITY CONSOLIDATED		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
OPERATING REVENUES									
Medi-Cal FFP	\$ 1,984,157	\$ 2,116,456	\$ (132,299)	\$ 1,729,976	\$ 2,267,428	\$ (537,452)	\$ 3,714,133	\$ 4,383,884	\$ (669,751)
Medi-Cal FFP Prior Year	133,240	-	133,240	2,066	-	2,066	135,306	-	135,306
Medi-Cal SGF-EPSDT	468,360	799,586	(331,226)	349,477	528,148	(178,670)	817,837	1,327,733	(509,896)
Medi-Cal SGF-EPSDT Prior Year	(27,614)	-	(27,614)	16,578	-	16,578	(11,036)	-	(11,036)
Medicare	640	1,500	(860)	1,018	700	318	1,658	2,200	(542)
Patient fees and insurance	340	1,250	(910)	-	-	-	340	1,250	(910)
Grants and contracts	285,271	146,382	138,890	14,533	-	14,533	299,805	146,382	153,423
Rent income - TCMH & MHSA Housing	14,737	18,150	(3,414)	44,358	55,225	(10,867)	59,094	73,375	(14,281)
Other income	87,198	-	87,198	324	-	324	87,522	-	87,522
Provision for contractual disallowances	(212,326)	(282,729)	70,403	(174,142)	(276,808)	102,665	(386,468)	(559,537)	173,069
Net Operating Revenues	2,734,002	2,800,594	(66,592)	1,984,188	2,574,693	(590,505)	4,718,191	5,375,287	(657,096)
OPERATING EXPENSES									
Salaries, wages and benefits	3,927,797	4,171,531	(243,734)	6,153,308	6,531,603	(378,294)	10,081,105	10,703,134	(622,028)
Facility and equipment operating cost	325,364	351,369	(26,005)	570,582	733,870	(163,288)	895,946	1,085,239	(189,293)
Client program costs	156,520	60,044	96,477	1,001,862	604,989	396,874	1,158,382	665,032	493,350
Grants	-	-	-	34,786	40,000	(5,214)	34,786	40,000	(5,214)
MHSA training/learning costs	-	-	-	55,731	77,506	(21,775)	55,731	77,506	(21,775)
Depreciation	72,124	45,803	26,322	208,522	179,629	28,894	280,647	225,431	55,216
Other operating expenses	305,231	349,910	(44,679)	577,394	677,443	(100,049)	882,625	1,027,353	(144,728)
Total Operating Expenses	4,787,036	4,978,656	(191,620)	8,602,185	8,845,038	(242,852)	13,389,221	13,823,694	(434,472)
OPERATING (LOSS)	(2,053,034)	(2,178,062)	125,028	(6,617,997)	(6,270,345)	(347,652)	(8,671,031)	(8,448,407)	(222,624)
Non-Operating Revenues (Expenses)									
Realignment	2,267,392	1,827,672	439,720	-	-	-	2,267,392	1,827,672	439,720
MHSA Funding	-	-	-	12,622,717	13,246,166	(623,449)	12,622,717	13,246,166	(623,449)
Housing & Community Dev.-NPLH	(8,000)	-	(8,000)	-	-	-	(8,000)	-	(8,000)
Pomona Vision 2030 Project	78,000	-	78,000	-	-	-	78,000	-	78,000
Interest (expense) income, net	(2,777)	13,495	(16,271)	85,246	166,000	(80,754)	82,469	179,495	(97,025)
Total Non-Operating Revenues (Expense)	2,334,616	1,841,167	493,449	12,707,963	13,412,166	(704,203)	15,042,578	15,253,333	(210,754)
Special Item: Net reorganization income (expense)	-	-	-	-	-	-	-	-	-
INCREASE(DECREASE) IN NET POSITION	\$ 281,582	\$ (336,896)	\$ 618,478	\$ 6,089,966	\$ 7,141,822	\$ (1,051,856)	\$ 6,371,548	\$ 6,804,926	\$ (433,378)

Definitions:

Medi-Cal FFP= Federal Financial Participation Reimbursement

Medi-Cal SGF-EPSDT=State General Funds reimbursement for Medi-Cal services provided to children under the "Early and Periodic Screening, Diagnosis and Treatment" regulations.

TCMH=Tri-City's Outpatient Clinic

MHSA=Mental Health Services Act (Proposition 63)

**TRI-CITY MENTAL HEALTH AUTHORITY
ACTUAL TO BUDGET VARIANCE EXPLANATIONS
SIX MONTHS ENDING DECEMBER 31, 2020**

COMMENT: PLEASE NOTE, THE DISCUSSION BELOW MAY USE THE FOLLOWING ABBREVIATIONS:

TCMH==TRI-CITY MENTAL HEALTH (OUTPATIENT CLINIC OPERATIONS)

MHSA==MENTAL HEALTH SERVICES ACT (ACTIVITIES INCLUDE CSS, PEI, INN, WET AND CAP/TECH PROGRAMS)

Net Operating Revenues

Net operating revenues are lower than budget by \$657 thousand for the following reasons:

- 1 Medi-Cal FFP revenues for FY 2020-21** were \$670 thousand lower than the budget. Medi-Cal FFP revenues were \$132 thousand lower for TCMH and \$537 thousand lower for MHSA. At TCMH, the adult program revenues were higher than budget by \$161 thousand and the children program revenues were lower by \$293 thousand. For MHSA, the adult and older adult FSP programs were lower than budget by \$407 thousand and the Children and TAY FSP programs were lower by \$130 thousand. Additionally, as the results of the fiscal years 2013-14, 2015-16 and 2016-17 interim cost report settlements, a total of \$135 thousand in prior years Medi-Cal FFP revenues were recorded to the current year operations.
- 2 Medi-Cal SGF-EPSTD revenues for fiscal year 2020-21** were lower than budget by \$510 thousand of which \$331 thousand lower were from TCMH and \$179 thousand lower were from MHSA. As was mentioned above, however, a net adjustment of \$11 thousand in prior years Medi-Cal SGF-EPSTD revenues were recorded due to the fiscal years 2013-14, 2015-16 and 2016-17 interim cost report settlements. SGF-EPSTD relates to State General Funds (SGF) provided to the agency for provision of qualifying Medi-Cal services for Early Prevention Screening and Diagnostic Testing (EPSTD) to children and youth under 21 years. These funds are in addition to the FFP reimbursed by the federal government.
 - > Medi-Cal and Medi-Cal SGF-EPSTD revenues are recognized when the services are provided and can vary depending on the volume of services provided from month to month. Projected (budgeted) services are based on estimated staffing availability and the assumption that vacant positions will be filled.*
- 3 Medicare revenues** are in line with the budget. Tri-City records revenue when the services are provided and the claims are incurred and submitted.
- 4 Grants and contracts** are higher than budget by \$153 thousand. Grants and Contracts are \$139 thousand higher for TCMH and \$14 thousand higher for MHSA. At TCMH, the higher revenues were due to the Measure H program which provides housing assistance to those who are at risk of homelessness in the three cities. At MHSA, the higher grants and contracts amount represents the Clifford Be Housing's share of cost for funding a Residential Services Coordinator position to provide on-site services to all residents at the Holt Avenue Family Apartments.
- 5 Rent income** was lower than the budget by \$14 thousand. The rental income represents the payments collected from the tenants stay at the Tri-City apartments on Pasadena and at the MHSA houses on Park Avenue and Baseline Rd.
- 6 Other income** is \$87 thousand higher than budget due to the two receipts of Stimulus Cares Act Relief funds.
- 7 Provision for contractual disallowances** for fiscal year 2020-21 is \$173 thousand lower than budget due to lower revenues.

Operating Expenses

Operating expenses were lower than budget by \$434 thousand for the following reasons:

- 1 Salaries and benefits** are \$622 thousand lower than budget and of that amount, salaries and benefits are \$244 thousand lower for TCMH operations and are \$378 thousand lower for MHSA operations. These variances are due to the following:
 - TCMH** salaries were lower than budget by \$26 thousand and benefits are lower than budget by \$218 thousand due to lower various insurances.
 - MHSA** salaries are lower than budget by \$203 thousand. The direct program salary costs are lower by \$114 thousand due to vacant positions and the administrative salary costs are lower than budget by \$89 thousand. Benefits are lower than budget by \$175 thousand. Of that, health insurance is lower by \$157 thousand, state unemployment is lower by \$44 thousand due to timing and workers compensation is lower by \$29 thousand. These lower costs are offset by the higher retirement contributions due to the annual payment of the CalPERS unfunded accrued liability in July.
- 2 Facility and equipment operating costs** were lower than budget by \$189 thousand. Facility and equipment operating costs were \$26 thousand lower for TCMH and \$163 thousand lower for MHSA.
- 3 Client program costs** are higher than the budget by \$493 thousand. This included a payment of \$396 thousand to the City of Pomona-Hope for Home Year-Round Emergency Shelter for which the amount was budgeted and spread out throughout the fiscal year.

**TRI-CITY MENTAL HEALTH AUTHORITY
ACTUAL TO BUDGET VARIANCE EXPLANATIONS
SIX MONTHS ENDING DECEMBER 31, 2020**

COMMENT: PLEASE NOTE, THE DISCUSSION BELOW MAY USE THE FOLLOWING ABBREVIATIONS:

TCMH==TRI-CITY MENTAL HEALTH (OUTPATIENT CLINIC OPERATIONS)

MHSA==MENTAL HEALTH SERVICES ACT (ACTIVITIES INCLUDE CSS, PEI, INN, WET AND CAP/TECH PROGRAMS)

- 4 **Grants for fiscal year 2020-21** awarded under the Community Wellbeing project are lower than budget by \$5 thousand due to timing.
- 5 **MHSA learning and training costs** are lower than the budget by \$22 thousand.
- 6 **Depreciation** is higher than budget by \$55 thousand.
- 7 **Other operating expenses** were lower than budget by \$145 thousand of which \$45 thousand lower was from TCMH and \$100 thousand lower was from MHSA. At TCMH, attorney fee is lower than budget by \$36 thousand and personnel recruiting fees are lower by \$25 thousand and are offset by higher IT professional fee. For MHSA, professional fees are lower than the budget by \$69 thousand, attorney fees are lower by \$17 thousand, personnel recruiting fees are lower by \$20 thousand, conference and mileage reimbursement are lower by \$16 thousand. These lower costs are offset by higher security expense.

Non-Operating Revenues (Expenses)

Non-operating revenues, net, are lower than budget by approximately \$211 thousand as follows:

- 1 **TCMH non-operating revenues** are \$493 thousand higher than the budget. Of that, realignment fund is higher than the budget by \$44 thousand. Interest income netted with interest expense is lower by \$16 thousand. Housing and Community Development revenue is lower by \$8 thousand. In August, Tri-City refunded the amount to the California Department of Housing, the un-used balance of the original \$100 thousand funded to Tri-City for the No Place Like Home project. Additionally, in December Tri-City records into non-operating revenue \$78 thousand for its participation in the Pomona Vision 2030 Project. Funds will help Tri-City partner with PUSD to engage and assess the needs and strengths of students and their families who are in grades K-middle school in Pomona.
- 2 **MHSA non-operating revenue** is \$623 thousand lower than the budget. In accordance with Government Accounting Standards Board, MHSA funds received and available to be spent must be recorded as non-operating revenue as soon as the funds are received. Funds are available to be spent when an MHSA plan and related programs have been approved and the proposed expenditures for those programs have been approved through an MHSA plan, MHSA update, or State Oversight and Accountability Commission.

The differences in actual to budget are broken out as follows:

	Actual	Budget	Variance
CSS funds received and available to be spent	\$ 10,712,194	\$ 10,712,194	\$ -
PEI funds received and available to be spent	1,594,085	2,217,534	(623,449)
WET funds received and available to be spent	-	-	-
CAP/TECH funds received and available to be spent	-	-	-
INN funds received and available to be spent	316,438	316,438	-
Non-operating revenues recorded	<u>\$ 12,622,717</u>	<u>\$ 13,246,166</u>	<u>\$ (623,449)</u>

CSS and INN recorded revenues are in line with the budgets.

PEI recorded revenue is lower than budget by \$623 thousand. The difference is due to the amounts received and available for the PEI plan through December 2020. The additional funds received during the fiscal year 2020-21 will be recorded as revenue up to the budgeted amount.

Interest income for MHSA is lower than budget by \$81 thousand.

TRI-CITY MENTAL HEALTH AUTHORITY
CONSOLIDATING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
SIX MONTHS ENDED DECEMBER 31, 2020 AND 2019

	PERIOD ENDED 12/31/20			PERIOD ENDED 12/31/19		
	TCMH Unaudited	MHSA Unaudited	Consolidated Unaudited	TCMH Audited	MHSA Audited	Consolidated Audited
REVENUES						
Medi-Cal FFP, net of reserves	\$ 1,814,888	\$ 1,586,388	\$ 3,401,276	\$ 1,729,437	\$ 1,493,537	\$ 3,222,974
Medi-Cal FFP FYE Prior Year	126,765	1,894	128,659	-	-	-
Medi-Cal SGF-EPSDT	434,070	320,471	754,540	432,766	294,572	727,338
Medi-Cal SGF-EPSDT Prior Year	(29,906)	15,202	(14,704)	-	-	-
Medicare	640	1,018	1,658	2,255	1,364	3,619
Realignment	2,267,392	-	2,267,392	1,948,525	-	1,948,525
MHSA funds	-	12,622,717	12,622,717	-	11,110,355	11,110,355
Grants and contracts	285,271	14,533	299,805	8,486	14,533	23,019
Housing & Community Dev.-NPLH	(8,000)	-	(8,000)	-	-	-
Pomona Vision 2030 Project	78,000	-	78,000	-	-	-
Patient fees and insurance	340	-	340	1,541	-	1,541
Rent income - TCMH & MHSA Housing	14,737	44,358	59,094	17,365	43,158	60,524
Other income	87,198	324	87,522	739	349	1,087
Interest Income	17,456	85,246	102,702	52,807	271,008	323,814
Total Revenues	5,088,851	14,692,151	19,781,001	4,193,921	13,228,876	17,422,796
EXPENSES						
Salaries, wages and benefits	3,927,797	6,153,308	10,081,105	3,417,383	5,499,491	8,916,874
Facility and equipment operating cost	325,360	570,566	895,926	330,253	691,718	1,021,971
Client lodging, transportation, and supply expense	160,853	1,014,413	1,175,266	66,966	342,607	409,573
Depreciation	72,124	208,522	280,647	44,685	175,246	219,930
Interest expense	20,233	-	20,233	20,981	-	20,981
Other operating expenses	300,902	655,375	956,278	297,966	639,793	937,759
Total Expenses	4,807,269	8,602,185	13,409,454	4,178,232	7,348,856	11,527,088
INCREASE (DECREASE) IN NET POSITION	281,582	6,089,966	6,371,548	15,688	5,880,020	5,895,708
NET POSITION, BEGINNING OF YEAR	3,879,375	22,645,870	26,525,245	3,229,029	21,242,083	24,471,112
NET POSITION, END OF MONTH	\$ 4,160,957	\$ 28,735,836	\$ 32,896,793	\$ 3,244,717	\$ 27,122,103	\$ 30,366,820

NOTE: This presentation of the Change in Net Assets is NOT in accordance with GASB, but is presented only for a simple review of Tri-City's revenue sources and expenses.

Definitions:

Medi-Cal FFP= Federal Financial Participation Reimbursement

Medi-Cal SGF-EPSDT=State General Funds reimbursement for Medi-Cal services provided to children under the "Early and Periodic Screening, Diagnosis and Treatment" regulations.

TCMH=Tri-City's Outpatient Clinic

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**Tri-City Mental Health Authority
MONTHLY STAFF REPORT**

DATE: February 17, 2020

TO: Governing Board of Tri-City Mental Health Authority
Toni Navarro, LMFT, Executive Director

FROM: Angela Igrisan, LCSW, Chief Clinical Officer

SUBJECT: Monthly Clinical Services Report

Angela Igrisan will be retiring as the Chief Clinical Officer effective March 2, 2021. She thanks the Governing Board and the people of the great cities of Claremont, La Verne, and Pomona for the opportunity to serve them. The new Chief Clinical Officer, Elizabeth Renteria started work at Tri City MHA on January 25, 2021 and will assume the full duties after March 2nd.

ACCESS TO CARE

Access to Care processed a total of 197 service requests for adults in the month of January. In terms of request type, 11 were walk-in service requests, 179 were called-in, there were 4 SRTS referrals, there were 0 in-writing referrals and 3 FSP/FCCS referrals. There was a total of 30 service requests that were hospital discharges. The number of service requests for January 2021 (197), is fairly consistent with the two previous years of data from January 2019 (208) and January 2020 (196). The majority of service requests were called in over the phone at 90.86% (179) which is now the preferred method of processing service requests due to COVID-19. 52% of the service requests processed were from women.

There was a total of 38 service requests received at the Royalty location for children and TAY in the month of January. Of the 38 service requests, 0 were walk-ins, 23 were called-in, 14 were in-writing referrals, 0 were FSP referrals and 1 was an SRTS referral. There were 0 hospital discharges. There was a considerable decrease in service requests for children in the month of January 2021 (38), compared to January 2020 (72). That is a 47% decrease in service requests. This decrease is largely attributed to the local surge in positive COVID-19 cases.

SUBSTANCE ABUSE TREATMENT TEAM

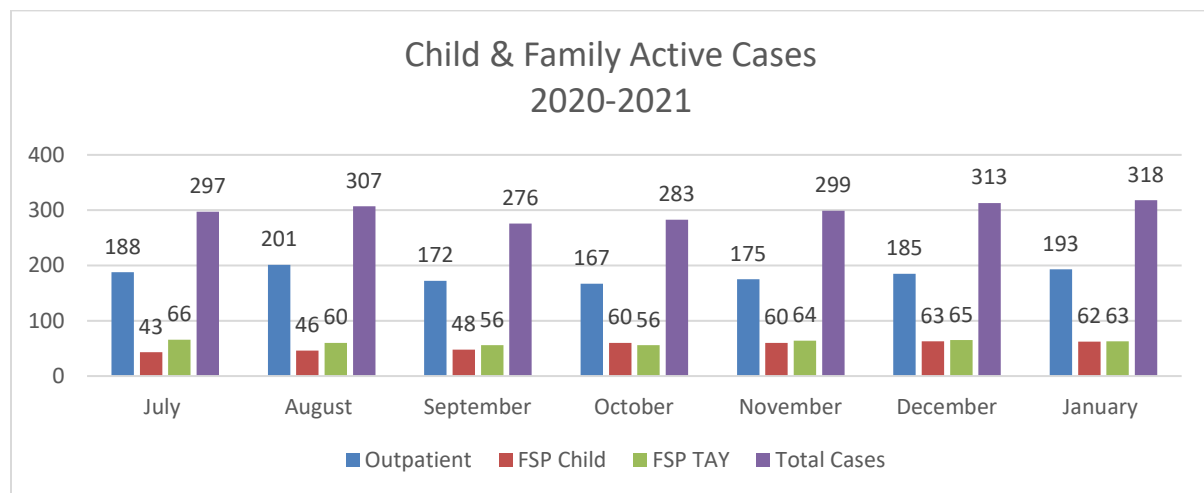
In conjunction with the Medical Director, the Substance Abuse Supervisor has been carefully exploring and developing a program intervention for Medication Assisted Therapy for clients at Tri City experiencing both a mental illness and a substance abuse challenge. This program involves an injection of medication done in conjunction with adjunct support services like groups.

Other activities of the team right now include supporting and facilitating 5 groups for people diagnosed with Co-Occurring Disorders. They are developing a more specific harm reduction training for the rest of the clinical staff.

Also to note, the team was invited to continue participation in the Pacific Southwest Addiction Technology Transfer Center’s Organizational Process Improvement Initiative for another year. Tri- City MHS has accepted this invitation and looks forward to continued participation in this overall quality improvement project targeted on the coordination of care related to complex addiction and mental health treatment.

CHILD AND FAMILY TEAM

The Child and Family’s number of active cases has been steadily increasing since September 2021 as the chart below notates from data provided by QA 2/2/2021:



The Children’s FSP team’s focus during the past few months has been on shoring up appropriate and affordable housing for the families they service in addition to the traditional therapies. On average, the families who are experience homelessness receive emergency financial housing support for an average of 6 months with some notable time outliers. While the overall number of families/TAYs experiencing homelessness is roughly 10-15% of FSP cases the housings needs are complex. The complexity involves mixed documentation status, loss of income due to COVID, family size, and overall household income.

School Partnership Team’s referrals for the school year and the three districts now total 148. Also to note this month, the team began attendance at the Claremont’s Student Attendance Review Board Meetings to ensure needed mental health services are considered and addressed. SPT will continue to be present at the Claremont SARB meetings from now on. PUSD has not resumed SARB meetings for this year.

CLINICAL WELLNESS ADVOCATES

The Clinical Wellness Advocates have been mourning the loss of their beloved colleague, Mary Hendrickson. They hosted a celebration of her life and time at Tri City during a lunch time memorial for all the staff. Roughly 60 people attended the memorial.

Janet Lewis, Supervisor for the Clinical Wellness Advocates has extended her retirement date to February 26, 2021. The recruitment for her replacement is underway. Tri-City again thanks her for her wonderful service in developing the CWA team and wishes her the best in her retirement.

SUCCESS STORY- Adult and TAY FSP

This month's success story highlights the collective work of both the Adult FSP team and the Children's Transitional Aged Youth team. After receiving a whole host of services from the Children's TAY team, a young woman transitioned to Adult FSP. She received individual therapy, case management and medication support services. After this formal support and informal support with children/family, she was able to improve the management of her symptoms. She also notably improved her family relationships. She is being referred to lower level of care mental health services in the community. Congratulations to this client and both the Adult and the TAY teams for a successful program graduation!



**Tri-City Mental Health Authority
MONTHLY STAFF REPORT**

DATE: February 17, 2021

TO: Governing Board of Tri-City Mental Health Authority
Toni Navarro, LMFT, Executive Director

FROM: Dr. Seeyam Teimoori, Medical Director

SUBJECT: Medical Director's Monthly Report

Our staff continue to provide services to our community during COVID-19 pandemic. Services provided by Tri-City Intensive Outreach and Engagement team (IOET) and Supplemental crisis teams in January 2021:

IOET Program

- Number of all new outreach= 87
- Number client given intake appointments=44
- Number of clients opened= 15
- Total number of ALL clients outreached=169
- Total number of homeless served=115
- Percentage of clients outreached that are homeless= 68%
- Percentage of clients enrolled this month in formal services that are homeless= 53%

Service area breakdown:

- Pomona= 149
- Laverne= 4
- Claremont= 16
- Total= 169

Clients with Complex Health Issues:

- Number of initial health assessments completed= 11
- Number of clients linked to PCP appointments with IOET LPT=18

Supplemental After-Hours Crisis Calls

- Number of calls received- 18
- Service Area
- Pomona- 11
- Laverne-1
- Claremont-2
- Outside service area-4

Governing Board of Tri-City Mental Health
Toni Navarro, LMFT, Executive Director
Monthly Staff Report of Seeyam Teimoori, MD
February 17, 2021
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Medication support services division is also happy to announce that Pomona Valley Hospital family medicine residency program faculty and residents are restarting the pop-up clinic at various locations throughout the city of Pomona beginning 2/23/2021 under CDC COVID precautionary guideline. (It was temporarily stopped due to concerns regarding COVID pandemic surge).

This is a street medicine-based team, in which any individual that shows up to the clinic will be seen and treated as well as being provided a prescription and follow up care for free. The pop-up clinics happen every Tuesday from 9am-12pm at selected locations. It is typically represented by Tri-City's Housing Team, Navigators and always Tri-City's Intensive Outreach and Engagement Team. This is a very exciting opportunity to bring together mental health services and medical services to lend to a whole person system of care model.



**Tri-City Mental Health Authority
MONTHLY STAFF REPORT**

DATE: February 17, 2021

TO: Governing Board of Tri-City Mental Health Authority
Toni Navarro, LMFT, Executive Director

FROM: Rimmi Hundal, Director of MHSA & Ethnic Services

SUBJECT: Monthly MHSA and Ethnic Services Report

ETHNIC SERVICES

February is Black History Month and a time to not only celebrate the significant contributions of African Americans to the history and success of this country, but is also a time to focus on and lift up continued efforts to progress racial justice and equity for Black Americans. Tri-City's Cultural Inclusion and Diversity Committee created a newsletter, is co-hosting an event with the African American Family Wellness Advisory Council (AAFWAC), and is re-posting its call for members to join AAFWAC every 4th Thursday of the month at 10:30am. Those items/events are attached to this report for your information and to share with your networks.

African American Family Wellness Advisory Council (AAFWAC)

It is more important than ever to have food that's good for our immune system, but it's easier (and cheaper) to get the high-fat, high-salt and high-sugar foods that compromise it. Join us and guest presenter, Dr. Oluwole Olusola, MD, as he shares strategies to create affordable and nutritious meals. You will learn about nutrients that support and nourish a healthy heart and body, and tips to help lead you and your family towards optimal health and wellness. AAFWAC will be hosting a webinar on Thursday, February 18th at 6pm. The title of the webinar is "Health is Wealth" and registration information for this webinar is available on the Tri-City website.

RAINBOW Advisory Council- LGBTQ+

During last month's meeting, participants watched a TEDxTalk video titled "Restfulness and Its Impact on Mental Well-being." Participants shared different ways on how to restore mental well-being. Participants continued to brainstorm and provide feedback regarding changing the name of the advisory council. With participant majority vote, LGBTQ+ Wellness Advisory Council name has been changed to RAINBOW Advisory Council. The acronym for RAINBOW is made up of the following words/phrases (Resilience, Allies, Identity, Nurturing, Building Equity, Open for All and Wellness). Participants were informed about Tri-City's internal use of gender pronouns in email signatures to promote inclusivity and that there will be Safe Space signs distributed throughout Tri-City buildings to promote that Tri-City is LGBTQ+ friendly.

¡Adelante! Latinx Wellness Committee

Last month Participants reviewed and provided their feedback on the resources they would like to make available on the Tri-City website for the Latinx community. Participants also shared that they would like to change the name of the committee to make it more welcoming. The committee will be voting on a new name for the Council during the next meeting which will take place on Thursday, February 11, 2021 at 2:30pm.

MHSA COMMUNITY PLANNING PROCESS

The mid-year stakeholder meeting is scheduled for Thursday, March 4 from 5:30 pm to 7:00 pm. As with previous stakeholder meetings, this will be a virtual event and focus on presenting updates from our Community Services and Support (CSS) and Prevention and Early Intervention (PEI) workgroups. In addition, new Innovation project proposal(s) will be presented and participants will be asked to vote on which proposal(s) will move forward in the final approval process. A link to this stakeholder meeting is posted on Tri-City's website as well as Facebook and Instagram. Additional information and links will be sent via email.

WORKFORCE EDUCATION AND TRAINING (WET)

During the month of January, the WET program continued to meet the needs of staff and community through a variety of program efforts. Our social media platforms continued to inform community members of the numerous campaigns Tri-City is focused on, including ACEs Aware and Tri-City events. During the month of January, Tri-City reached 1203 people via Facebook and 340 people on Instagram. On Twitter, we reached 3,565 people, resulting in 106 profile visits. In recent months, Twitter has become the most successful social media platform for Tri-City Mental Health.

Staff also continued trainings facilitated by Dr. Allen Lipscomb focused on Justice, Equity, Diversity, and Inclusion. The ongoing sessions currently focused on intra-group dialogues within similar supervisory levels. Once these levels of discussions have been completed, conversations will continue in March and beyond to discuss between members of all staff how to continue our efforts to become an anti-racist organization that values Justice, diversity, equity, and inclusion.

PREVENTION AND EARLY INTERVENTION (PEI)

Community Wellbeing

In preparation for the grant year 2021-22, a virtual Information Night was held on Thursday, Feb. 11th at 6pm and two Bidders' Conference will be held on Wednesday, Feb. 24th at 9 am and Thursday, Feb. 25th at 6 pm. Registration is required for each event and information can be found on the Tri-City website www.tricitymhs.org

Peer Mentor Program

Staff provided a webinar on January 25th via RingCentral titled “Working with Older Adults during COVID” for Project Horseshoe Farm and Neighborhood Services Department for the city of Pomona. The presentation focused on working with older adults and the common mental health themes that may arise. The focus of the presentation was also on positive communication via telephone, identifying positive coping skills and local resources during COVID.

Stigma Reduction

Program Staff is planning various stigma reduction events and activities over the next few months that will be hosted virtually and through social media.

Directing Change Video Contest – Directing Change is a part of California’s statewide Stigma Reduction campaign, Each Mind Matters (EMM). The Directing Change Program and Film Contest is a unique opportunity for students in the state of California to show their creativity and educate their peers about mental health and suicide prevention by making a 60-second video. Submissions are due on March 1st. More information can be found at: <https://directingchange.org>

Creative Minds Virtual Art Gallery – Due to COVID and Social/Physical restrictions, Tri-City will be hosting our first virtual art gallery on March 18th, during Green Ribbon Week. The art theme is: Through the Lens of COVID. Participants can submit self-made art (painting, sculpture, etc.), photography, or poetry. All who are interested in participating in our virtual art gallery are encouraged to submit their arts until February 26th. Information about [Creative Minds Art Gallery](#) can be found on the Tri-City website.

Green Ribbon Week (GRW) will be held March 15th – 21st this year. GRW is an annual event that takes place during the third week of March to bring mental health awareness and reduce stigma by having healthy conversations about mental health in our community. Due to COVID and social/physical restrictions, this year GRW will go virtual. Throughout the week, program staff will be posting information, resources, and sharing ideas on how community members can support GRW through social media. To find more information about upcoming events, please visit our website or follow us on Facebook, Twitter, or/and Instagram.

WELLNESS CENTER

The first virtual hiring event for 2021 will take place on February 17th, in collaboration with FedEx Ground from 11am-12:30pm. The Family Wellbeing Program has started the planning for the 11th annual summer camp. The camp is tentatively scheduled from Mid-June until Mid-July. Flyer distribution commenced in February and the Wellness Center will start taking applications starting March 1st.

The center is also playing a role in the COVID-19 Community Equity Fund (CCEF) grant. Presentation on both stopping the spread of COVID as well as information on the vaccine will be developed and presented in the community by two (2) new wellness advocates who are currently being recruited.

The Center is also working with various partners to provide real time support groups to meet the needs of the community. One such partnership is with the city of Pomona's parks and recreation department. The center is offering a free support group for junior high and high school students on Mondays at 4pm for their virtual community center.

INNOVATION

Tri-City's Innovation workgroup has been meeting over several weeks to finalize ideas and proposals for new projects. This group of 17 community members has come together to discuss the needs of people residing in the Tri-City area as well as gaps in services and how these can be addressed through new Innovation projects. The final project proposal(s) will be presented to the community during the next stakeholder meeting scheduled for March 4 from 5:30 to 7:30.

Attachments:

Attachment 9-A: Tri-City's Cultural Inclusion and Diversity Committee Newsletter

Attachment 9-B: African-American Family Wellness Advisory Council (AAFWAC) Flyer

Attachment 9-C: AAFWAC Health is Wealth Flyer



BLACK HISTORY MONTH

FEBRUARY 2021 CIDC Newsletter

Tri-City's Cultural Inclusion and Diversity Committee

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EVERY GREAT
DREAM BEGINS
WITH A DREAMER

- HARRIET TUBMAN

ABOUT BLACK HISTORY MONTH



February has been designated Black History Month also known as African American History month. This month honors the impact African Americans have made in the United States. The celebration began as “Negro History Week,” which was created in 1926 by Carter G. Woodson, a noted African American historian, scholar, educator and publisher. February was chosen to coincide with Frederick Douglas' and Abraham Lincoln's birthday.

According to the United States Census, 13.2% of the U.S population identify as Black or African American. Of those identified in the African American community, 16% had a diagnosable mental health illness. Although stigma around mental health is still held strong amongst the African American community, they are still receptive to receiving treatment. Faith, spirituality and community play a big role in this community as a form of support and a place to receive resources. It is beneficial and crucial to incorporate these values in the treatment plan to help reduce and alleviate unwanted mental health symptoms.

THE SIGNIFICANCE OF THE AFRICAN AMERICAN FLAG

The African American Heritage flag was created in 1967 by Melvin Charles and Gleason T. Jackson. The flag has become a representation of pride and unity within the African community. Each color of the flag has its own symbolic meaning.

Red

Red represents the blood that unites all people of Black African ancestry, and the blood shed by Africans who died in their fight for liberation.

Black

Black represents the color of the infinite, the mysterious and the unified. It represents the color of the original people. It compels us to remember that black people are united as members of one family.

Green

Green is the symbol of growth and the natural fertility of Africa. It represents the luxuriant vegetation of the motherland and the abundant natural wealth of Africa.

**"NEVER BE LIMITED BY OTHER
PEOPLE'S LIMITED IMAGINATION"**

- DR. MAE JAMENSON, FIRST AFRICAN AMERICAN ASTRONAUT



MENTAL HEALTH RESOURCES

Below is a list of culturally-relevant mental health resources for black, indigenous, and people of color (BIPOC) communities. This is not a comprehensive list, but rather an access point for those looking for more information about mental health and wellness. The information and resources presented here are not intended to replace mental health treatment.

Black Emotional and Mental Health Collective (BEAM)

Offers tools and resources for self-care and building healthy relationships. The collective is also holding free Black-centered healing and support virtual spaces that often include support and meditation. Registration for events are available [here](#).

The Safe Place

A free app, available on both iOS and Google Play, designed to support Black people's mental health. It includes info about mental illnesses, how police brutality and racism impact mental health and self-care tips.

Toolkit: Healing in the Face of Cultural Trauma

(Association of Black Psychologists, Community Healing Network)
Developed by and for people of African ancestry, for self-care, family-care, and community care. This 26-page toolkit, written in English and Spanish, contains information about how stress and trauma affect the body and mind, and self-care strategies for dealing with the effects of racism.

44 Mental Health Resources for Black People Trying to Survive in This Country | Gotchu: Mental Health, Your Friend, And You

Recommendations on the best ways to support someone close to you who is experiencing psychological distress. [Black Women's Health Imperative](#) is a nonprofit organization founded by black women to "help protect and advance the health and wellness of Black women and girls." The site includes information about physical health as well as a [quiz](#) to determine your stress level.

Getsomejoy

A year-long multimedia campaign to promote mental and emotional wellness among Black & Brown folks through fellowship opportunities, dynamic live events, powerful written and video content, wellness resources and education, and engagement through storytelling and therapeutic creative expression.

Ourselfes Black

A collection of stories, images, and narratives that explore and destigmatize the Black experience of mental health with the intention of empowering the Black community.

Black Mental Wellness

Provides access to evidence-based information and resources about mental health and behavioral health topics from a Black perspective to highlight and increase the diversity of mental health professionals, and to decrease the mental health stigma in the Black community.

Eustress

A non-profit organization that raises awareness on the importance of mental health in underserved communities, allowing individuals to identify and overcome challenges to achieve a healthier and productive lifestyle.

National Organization for People of Color Against Suicide (NOPCAS)

NOPCAS aims to reduce the stigma of suicide prevention among communities of color through training and advocacy.

**"A PEOPLE WITHOUT THE KNOWLEDGE OF THEIR PAST HISTORY,
ORIGIN AND CULTURE IS LIKE A TREE WITHOUT ROOT."**

-MARCUS GARVEY



AFRICAN AMERICAN FAMILY WELLNESS ADVISORY COUNCIL

Become an AAFWAC Member Today!

- Share your ideas and experiences to help improve Tri-City services.
- Join other community members who work with and support Black and African American communities

Be a voice
for your
community

AAFWAC Members:

- Are connected with the cities of Claremont, La Verne or Pomona through residence, work, school or volunteering
- Attend a monthly virtual meeting
- Share feedback to help improve wellbeing for Black and African American individuals and families

Want to Get Involved?

Join us virtually
4th Thursday of the month | 10:30 am

To sign-up and learn more contact:

Veronica Awodu,
Mental Health Rehabilitation Specialist II
(909) 242-7624 | vawodu@tricitymhs.org

Stay Connected with Us

www.tricitymhs.org     @TriCityMHS



THE AFRICAN AMERICAN FAMILY WELLNESS
ADVISORY COUNCIL PRESENTS

FREE WEBINAR

HEALTH IS WEALTH

Tips and affordable strategies to help
lead you and your family toward
optimal health and wellness.

THURSDAY,
FEBRUARY 18, 2021
6:00 PM – 7:00 PM



Guest Speaker
Dr. Oluwole Oluwola, MD

    @TriCityMHS

A recording of the webinar will be available at
tricitymhs.org



Sign-up for Free:
bit.ly/aafwac-health



**Tri-City Mental Health Authority
MONTHLY STAFF REPORT**

DATE: February 17, 2021

TO: Governing Board of Tri-City Mental Health Center
Toni Navarro, LMFT, Executive Director

FROM: Natalie Majors-Stewart, Chief Compliance Officer

SUBJECT: Monthly Best Practices Report

NETWORK ADEQUACY UPDATE

As we continue to move towards a value-based care system in the state of California, it could be anticipated that compliance and quality monitoring activities will continue have a larger focus on data and outcomes. An example of this is the compliance monitoring approach to 'Network Adequacy', which uses a more data driven/outcome-based approach, as opposed to the traditional qualitative approach. Network Adequacy reviews rely heavily on data collection/reporting, cover a wide range of requirements, and occur more regularly.

Network Adequacy monitoring checks for compliance with: 1) Timely Access to Care, 2) Agency Capacity, and 3) Time and Distance Standards [minutes and miles from/to clinic services.] The state Department of Health Care Services (DHCS) implemented this comprehensive monitoring plan in 2018 to ensure that California Medi-Cal beneficiaries have timely access to necessary services across all systems of care.

Despite the various challenges of operating during COVID19 pandemic, Tri City staff have continued to work very diligently to ensure compliance with Network Adequacy requirements by: making it a priority, monitoring trends, enhancing internal workflows, and maintaining data entry systems.

Timely access compliance rates trended down during the first quarter of fiscal year 2020/2021. However, during the second quarter, our compliance rate trended back up to our current baseline of 99% - 100%.

Month	October 2020	November 2020	December 2020
Compliance Rate	99% timely access	99% timely access	100% timely access