

COUNTY OF SAN BERNARDINO DEPARTMENT OF BEHAVIORAL HEALTH (DBH)
SNHP HOUSING PROGRAM
MEMORANDUM OF UNDERSTANDING (MOU)
FOR THE DEVELOPMENT AND IMPLEMENTATION OF SUPPORTIVE SERVICES FOR
BLOOMINGTON HOUSING PHASE III APARTMENTS

This memorandum of understanding (MOU) is entered into on May 18, 2021, between the County of San Bernardino Department of Behavioral Health (DBH), Bloomington III Housing Partners, L.P., a California limited partnership (Owner), and The John Stewart Company (Property Manager) (jointly and collectively, the “Parties”).

RECITALS

- A. In November 2004, California Voters passed Proposition 63, the Mental Health Services Act (Act or MHSA), to provide funding for mental health services. The Act also created the MHSA Housing Program (Program) that allocated funding for the development of permanent supportive housing for eligible individuals with mental illness who are homeless or at risk of homelessness. In March 2008, DBH reassigned the allocation of funds to the California Department of Mental Health (DMH) and the California Housing Finance Agency (CalHFA) to administer the program on DBH’s behalf. On December 20, 2016, The San Bernardino Board of Supervisors authorized the Director of Behavioral Health to sign the Local Government Special Needs Housing Program (SNHP) Financing Participation Agreement with the California Housing Finance Agency (CalHFA) commitment MHSA Housing Program funds for participation in the CalHFA SNHP. The MHSA Funds for both supportive services and housing development must be used by DBH in accordance with the Act and California Code of Regulations Title 9, Section 3100, et seq.
- B. In accordance with SNHP Regulatory Agreement CalHFA Development No. 19-011-M, Section C. and Section D., DBH will fund supportive services to Eligible Households to whom the Owner has agreed to make certain housing units available to benefit the appropriate Eligible Households.
- C. Owner proposes to build new construction apartment development of ninety-eight (98) of affordable housing (Development) for households whose income does not exceed sixty percent (60%) of the area median income, of which ten (10) of the ninety-eight will be leased to eligible clients of DBH. Income for eligible households occupying SNHP funded units within the Development shall not exceed 30 percent of the area median income.
- D. In connection with the SNHP funded units, and as evidenced by this MOU, the Parties are collaboratively engaging in the Development to offer housing and supportive service to households that include at least one individual experiencing serious mental illness and or serious emotional disturbance and who is also homeless or at risk of homelessness, at the time that such household applies for a project unit.

- E. The intent of the Project is to provide high quality, safe, and affordable permanent supportive housing to eligible households.
- F. The Parties agree that a strong level of communication and coordination among the Parties is necessary to ensure the Project's success.
- G. This MOU is intended to memorialize certain rights and obligations of the Parties related to the proposed Bloomington Housing Phase III project, a newly constructed affordable housing site located at 17906 Valley Boulevard, Bloomington, CA 92316.

Therefore, the Parties agree as follows:

ARTICLE I DEFINITIONS, EXHIBITS

- A. Definitions. As used in this MOU, the following terms shall have the respective meanings assigned to them in this Article I.
 - 1. Authorization for Release of Protected Health Information: A HIPAA compliant authorization signed by the client or client's legal representative, authorizing DBH to release the client's information to a designated recipient. This form must be completed thoroughly with specified records to be shared, a designated time frame and expiration date, as well as a signature by the DBH client or his/her legal representative. If the form is signed by a legal representative, proof from the court system designating legal representation must accompany the request.
 - 2. Health Insurance Portability and Accountability Act (HIPAA): A federal law designed to improve portability and continuity of health insurance coverage in the group and individual markets, to combat waste, fraud, and abuse in health insurance and health care delivery, to promote the use of medical savings accounts, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes.
 - 3. Personally Identifiable Information (PII): PII is information that can be used alone or in conjunction with other personal or identifying information, which is linked or linkable to a specific individual. This includes: name, social security number, date of birth, address, driver's license, photo identification, other identifying number (case number, client index number, SIMON number/medical record number, etc.).
 - 4. Protected Health Information (PHI): PHI is individually identifiable health information held or transmitted by a covered entity or its business associate, in any form or media, whether electronic, paper or oral. Individually identifiable information is information, including demographic data, that relates to the individual's past, present or future physical or mental health or condition; the provision of health care to the individual; or the past, present, or future payment for the provision of health care to the individual, and identifies the individual or for which there is reasonable basis to believe it can be used to identify the individual. PHI excludes individually identifiable health information in education

records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. 1232g; in records described at 20 U.S.C. 1232g(a)(4)(B)(iv); in employment records held by a covered entity in its role as employer; and regarding a person who has been deceased for more than fifty (50) years.

5. "Confidential Information" shall mean personal protected health information (PHI) and tenant information that cannot be disclosed to other parties according to California and federal law without the express written permission of the individual about whom the personal information relates.
6. "DBH" shall mean County of San Bernardino Department of Behavioral Health.
7. "Development" shall mean Bloomington Phase III Housing located in Bloomington, California.
8. "DHCS" shall mean California Department of Health Care Services.
9. "Eligible" shall mean an individual certified, pursuant to this MOU, as having a serious mental disorder as defined in Welfare and Institutions Code Section 5600.3(b)., eligible tenants shall also meet the criteria set forth in the SNHP tenant referral and certification policies established by DBH, including the requirements of being diagnosed with a serious mental illness and either Homeless or At-risk of Homelessness.
10. "Eligible Household" shall mean a household where one or more household members are eligible for DBH SNHP funded services.
11. "Full Service Partner" or "FSP" shall be a service provider(s) contracted by DBH or the applicable direct DBH subsidiary assigned to provide voluntary supportive services to project or eligible tenants.
12. "Homeless or At-risk of Homelessness" shall mean living on the street or lacking a fixed and regular night-time residence. This includes living in a shelter, motel, or other temporary living situation in which the individual has no tenant rights. "At-risk of Homelessness" may be due to one of the following situations: (i) discharge from crisis and transitional residential settings, a hospital including acute psychiatric hospitals, psychiatric health facilities, skilled nursing facilities with a certified special treatment program for the mentally disordered, and mental health rehabilitation centers; (ii) release from city or county jails, but not a parolee from state prison; (iii) temporary placement in a residential care facility upon discharge from (i) or (ii) above; and (iv) certification by the Mental Health Director as an individual who has been assessed by and is receiving services from the County and who had been deemed to be at imminent risk of being homeless.
13. "SNHP" or "Act" shall have the meaning set forth in Recital A.
14. "SNHP funded units" shall mean a unit in the Development reserved for Eligible Households.
15. "Owner" shall mean Bloomington III Housing Partners, L.P., a California limited partnership.

16. "Party" shall mean DBH, Owner, Property Manager or Service Provider(s), individually.
17. "Parties" shall mean DBH, Owner, Property Manager and Service Provider(s), jointly and/or collectively.
18. "Project" has the meaning set forth in Recital G.
19. "Property Manager" shall mean the entity engaged by Owner to manage the Development. For purposes contemplated by this MOU the rights and duties of the Property Manager are originated with the Owner and are assigned as necessary at the discretion of the Owner.
20. "Relapse or Symptom Exacerbation" shall mean a recurrence or worsening of symptoms, e.g., sleep disturbances, lost appetite, flashbacks, isolation that may contribute to behaviors that jeopardize an individual's ability to fully abide by the terms of their lease agreement.
21. "Rent" shall include any payments to secure an SNHP funded unit, and may include tenant payments combined with any applicable rental subsidies.
22. "Representative Payee" per the Social Security's Representative Payment Program, a Representative Payee provides benefit payment management for beneficiaries who are incapable of managing their Social Security or Supplemental Security Income payments. DBH appoints a suitable representative payee (friend, family member or qualified organization) who manages the payments on behalf of the beneficiaries.
23. "Service Provider(s)" shall mean the DBH-designated Full-Service Partner provider(s) working with voluntary eligible households occupying units in the Development. For purposes contemplated by this MOU the rights and duties of the Service Provider(s) originated with DBH and are assigned as necessary at the discretion of DBH.

B. Exhibits. The following exhibits are attached to this MOU and incorporated into this MOU by this reference:

Exhibit A: Property Management/Tenant Service Coordination Meeting Work Sheet

ARTICLE II CONFIDENTIALITY

A. Disclosure of Confidential Information. The Parties agree that the effectiveness of services in supportive housing requires respect of client confidentiality in all interagency communication. Each Party agrees that it will not at any time disclose or permit the disclosure of Confidential Information, except as required in the course of their official duties, without the consent of the eligible household unless such disclosure is authorized or required by law. If disclosure of Confidential Information is not authorized or is required by law, a Party shall obtain written permission from the eligible household prior

to disclosing any Confidential Information; the personally identifiable information (PII) will be non medical only, such as financial and criminal background information. There will be no sharing of medical records.

- B. Obtaining Written Consent for Disclosure. After admission of an eligible household to the Development, the Parties will obtain permission from eligible household members, receiving supportive services from the Service Provider(s), to disclose Confidential Information if such disclosure is necessary to protect an eligible household member's housing status or if such disclosure relates to a health and safety issue. Releases of confidentiality will be renewed each year during a tenant's annual recertification.
- C. Applicability. The provisions of this Article II shall apply to each provision of this MOU and the activities contemplated by this MOU.
- D. DBH Service Responsibilities

Obtain a valid Authorization for Release of PHI from DBH client prior to sharing any PHI in the performance of required services.

- E. Privacy and Security

1. All parties shall adhere to any County applicable privacy-related policies pertaining to PII. DBH has a specific responsibility to comply with all applicable State and Federal regulations pertaining to privacy and security of client PHI and strictly maintain the confidentiality of behavioral health records, and Owner shall assist DBH in upholding said confidentiality by applying safeguards as discussed herein. Regulations have been promulgated governing the privacy and security of individually identifiable health information (IIHI) PHI or electronic Protected Health Information (ePHI).
2. In addition to the aforementioned protection of IIHI, PHI and e-PHI, all parties shall adhere to the protection of personally identifiable information (PII) and Medi-Cal PII. PII includes any information that can be used to search for or identify individuals such as but not limited to name, social security number or date of birth. Whereas Medi-Cal PII is the information that is directly obtained in the course of performing an administrative function on behalf of Medi-Cal, such as determining eligibility that can be used alone in conjunction with any other information to identify an individual.
3. Reporting Improper Access, Use, or Disclosure of Unsecure PHI and PII
Upon discovery of any unauthorized use, access or disclosure of PHI or any other security incident with regards to PHI or PII, Owner agrees to report to DBH no later than one (1) business day upon the discovery of a potential breach. Owner shall cooperate and provide information to DBH to assist with appropriate reporting requirements to the DBH Office of Compliance.
4. All parties shall ensure any DBH client PHI that is stored on its premises will be locked and secure in adherence to IIHI and PHI privacy requirements.

F. Right To Monitor and Audit

1. DBH staff or any subdivision or appointee thereof, and the State of California or any subdivision or appointee thereof, including the Inspector General, shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, as they relate to the provision of services provided by DBH in relation to the Bloomington III Housing program. Full cooperation shall be given by the Bloomington III Housing program in any auditing or monitoring conducted.
2. All parties shall cooperate in the implementation, monitoring and evaluation of this MOU and comply with any and all reporting requirements established by this MOU.
3. Owner and Property Manager shall provide all reasonable facilities and assistance for the safety and convenience of DBH's representative in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work of the Bloomington III Housing program.

ARTICLE III
APPLICATION AND SELECTION PROCESS

- A. Determining SNHP Eligibility. Service Provider(s) shall be responsible for determining if an applicant for an SNHP funded unit is eligible for this program.
- B. Marketing. Service Provider(s) shall assist Owner in Owner's marketing efforts for SNHP funded units in the Development by conducting outreach to potential eligible households and maintaining communication with Service Provider(s) as necessary to assure SNHP funded units are utilized.
- C. Reasonable Accommodation.
 1. The Parties understand and agree that those eligible are disabled households who may be entitled to reasonable accommodations in the application and admission process. Owner or Property Manager shall establish and implement a procedure to respond to requests for reasonable accommodation by all applicants. Owner or Property Manager shall make good faith efforts to provide its current reasonable accommodation procedures to Service Provider(s). Such procedure shall provide for the following:
 - a) Property Manager shall provide a notice to all applicants that disabled applicants may be entitled to a reasonable accommodation in the tenant selection and admission process.
 - b) If the Property Manager intends to deny a requested accommodation because it is not reasonable, Property Manager will make efforts to determine if there is an alternative reasonable accommodation that would effectively address the applicant's disability related needs.
 - c) Owner or Property Manager shall not be obligated to admit an eligible applicant who requires supportive services as a reasonable accommodation

in order to meet the terms of the tenancy if such applicant does not have access to supportive services or cannot otherwise obtain such supportive services.

- d) In the event Owner or Property Manager denies admission to the referred eligible household, Property Manager shall notify Service Provider(s) and, to the extent permitted by Article II, shall provide evidence of the implementation of reasonable accommodation procedures set forth herein.

D. Applicant Referral Process.

1. Initial Rent-Up. Property Manager will notify Service Provider(s) that Owner is currently leasing units in the Development. Service Provider(s) will identify at least one (1) qualified and eligible household for each SNHP funded unit available for rent. In the event Owner (or Owner's agent, including the Property Manager) denies admission to any household identified pursuant to this subsection (1) or the household identified pursuant to this subsection does not lease or occupy the SNHP Unit for any reason, Owner or Property Manager shall promptly notify Service Provider(s). To better streamline the rent-up process the Owner or Property Manager may request in writing (which may be delivered by electronic mail) at the time of the initial rent-up or during the rent-up process, that Service Provider(s) identify several additional eligible households interested in renting an SNHP funded unit. Upon such written request Service Provider(s) shall make diligent efforts to promptly refer additional Eligible households.
2. Ongoing Rent-Up. From and after the initial rent-up of the SNHP funded units, in the event Property Manager learns that an SNHP funded unit is vacant or may become vacant, Property Manager shall notify Service Provider(s) promptly in writing (which may be delivered by electronic mail). Owner or Property Manager may also request that Service Provider(s) identify eligible households interested in renting an SNHP funded unit. Upon written request by Owner or Property Manager to Service Provider(s), Service Provider(s) shall make diligent efforts to promptly refer one (1) or more candidates for each vacant SNHP funded unit.

E. Tenant Referral and Certification Process. DBH shall institute a tenant referral and certification process for eligible households consistent with guidelines provided in the SNHP Housing Program Application and San Bernardino County Continuum of Care (CoC) plan.

1. SNHP Applicant. In the event an applicant who has not been determined to be eligible expresses an interest in an SNHP funded unit, Owner or Property Manager shall refer such applicant to Service Provider(s) for assistance in determining SNHP eligibility.

F. Application Process.

1. Application. Within ten (10) days of the date hereof, Property Manager shall provide a copy of its tenant application that will be used in renting up the Development, to DBH and the Service Provider(s). In the event any modifications are made to such tenant application, Property Manager shall provide copies of

such tenant application to DBH and Service Provider(s) at least thirty (30) days prior to use of such application.

2. Tenant Selection Policy. Property Manager's tenant selection criteria, as reviewed by the Parties, shall be used in the initial and ongoing rent up of the Development. Property Manager will provide DBH and Service Provider(s) with a copy of such tenant selection criteria at within ten (10) days of the date hereof. In the event Property Manager desires to modify the tenant selection criteria, Property Manager shall provide written notification to DBH and Service Provider(s) prior to making such modifications. Property Manager shall promptly provide a copy of any modified tenant selection criteria to DBH and Service Provider(s).
3. Reasonable Accommodation. Owner agrees that examples of reasonable accommodation during the application process include but are not limited to:
 - a) Waiving a credit requirement if at the time of commencement of occupancy, the applicant will have access to rental assistance sufficient to pay the SNHP funded unit rent and the applicant has adequate procedures in place, such as a Service Provider(s) or a Representative Payee, to ensure such rental assistance will be paid to Owner on a monthly basis in accordance with Owner's standard form of lease;
 - b) Waiving a criminal history requirement if such criminal history does not result in a current threat to the health and safety of other residents in the Development, or if the applicant demonstrates that he/she has adequate supports or supportive services that will assist applicant to mitigate any current threat to the health and safety of other residents in the Development, each as reasonably determined by Owner;
 - c) Waiving requirements related to past drug use or past or current alcohol abuse if such past drug use or past or current alcohol abuse does not currently affect the applicant's ability to meet the terms of the tenancy, if such past drug use or past or current alcohol abuse does not violate any occupancy requirements of other funding sources, such as HUD 202 Supportive Housing for the Elderly (HUD 202) requirements, and if the applicant demonstrates that he/she has adequate supports or supportive services that will assist the applicant to meet the terms of the tenancy, if necessary. Owner will provide a copy of the reasonable accommodation procedure and any amendments to such procedure to DBH and Service Provider at least thirty (30) days prior to implementing such procedure.
 - d) Nothing herein shall require the Owner to keep units vacant for a period of longer than thirty (30) days in order to determine if there are reasonable accommodations that can be offered to the applicant to allow the applicant to meet the terms and conditions of tenancy.
 - e) At all times, Owner's tenant selection criteria shall comply with fair housing laws and incorporate the reasonable accommodation procedure set forth in Article III Section (C) above.

4. Assistance from Service Provider(s). Service Provider(s) shall assist applicants in the application process, by, among other activities, providing guidance to applicants in completing and organizing the application for rental housing and gathering the information necessary to document the applicant's income information and access to rental assistance as well as communicating with the Property Manager to discuss the application process, the status of the Property Manager's review, and to address any questions applicant may have regarding the Development. If applicable, Service Provider(s) shall also assist applicants in requesting and obtaining reasonable accommodation in the application and selection process.
- G. Move-in Procedures. Property Manager shall establish reasonable move-in procedures and provide copies of such procedures to DBH and Service Provider(s). In the event Property Manager modifies the move-in procedures, Property Manager shall provide copies of such modified move-in procedures to DBH and Service Provider(s) at least thirty (30) days prior to implementing such procedures.
- H. Orientation Procedures. Prior to move-in and after admission, Service Provider(s) and Property Manager shall meet with each eligible household referred pursuant to Article III Section D to orient the household to the Development. The orientation shall include an explanation of the expectations of tenancy, the availability of supportive services to assist in meeting those expectations, the opportunities for personal and social engagement in the Development which will help support tenant well-being, community resources, maintenance request procedures, house rules and Development common area, and rent collection requirements. At such orientation, the Property Manager and Service Provider(s) will seek to obtain written permission from tenant to allow the Property Manager and Service Provider(s) to communicate about the tenant's housing and health and safety.

ARTICLE IV SERVICES

- A. DBH Referrals. If requested by Owner or Property Manager, DBH shall make good faith efforts to refer eligible households pursuant to Article III Section D who have access to supportive services if such services are necessary to assist such eligible household to meet the applicable tenant selection criteria.
- B. Supportive services. DBH staff will ensure that the Service Provider(s) provides rehabilitative Mental Health Services based on client goals for recovery, and that the residents are receiving the necessary services to help them maintain stabilized housing. The level of service provided on and off-site will depend upon the residents' level of functioning, needs, and choices. These voluntary services may include, without limitation:
 1. On-going assessment and evaluation services, medication support services, mental health services, and case management services.
 2. Assisting with residents' daily living activities and linking them to other

supportive services and physical health care services in order to continue to improve their independent living skills.

3. Assisting residents in coordinating social and recreational activities, based on the residents' overall level of functioning, needs and choice.
4. Assisting residents in tenant council meetings.
5. Providing dispute resolution for the residents.
6. Assisting the residents with transportation needs when necessary.
7. Providing consultation with psychiatrists and other mental health professionals, when necessary.
8. Providing assistance with referrals and linkages with other agencies, as needed.
9. DBH will provide ongoing contact with the residents to assure that the resident's needs and goals are being met.

ARTICLE V RENTS.

- A. Rents: Eligible Households will generally be responsible for a rental payment that is restricted to 30% of 50% or less of the Area Median Income (as adjusted by household size).

ARTICLE VI ONGOING TENANCY

- A. Reasonable Accommodation. The Parties understand and agree that eligible households are disabled households who may be entitled to reasonable accommodations during occupancy. Owner shall establish and implement a procedure to respond to requests for reasonable accommodation by all tenants. Such procedure shall require a provision in each tenant lease that such tenant may be entitled to a reasonable accommodation. The procedure shall provide that if the Property Manager intends to evict an eligible household, that the Property Manager first consider, in consultation with the applicable Service Provider(s), whether or not a reasonable accommodation is appropriate. In addition, if the Property Manager denies a requested accommodation because it is not reasonable, Property Manager will make efforts to determine if there is an alternative reasonable accommodation that would effectively address the tenant's disability related needs.
- B. Tenancy Documents; Modification to Documents and Development.
1. House Rules. The Owner shall develop Project rules and provide copies of the rules to DBH and Service Provider(s) within ten (10) days of the date hereof. In the event Owner modifies the Project rules, Owner shall provide copies of such

modified Project rules to DBH and Service Provider(s) as soon as reasonably practicable, but in no event less than thirty (30) days prior to the date on which the rules shall become effective.

2. Leases. The Property Manager shall provide DBH with a copy of the lease at least ten (10) days of the date hereof. In the event Property Manager modifies the lease for the SNHP funded units, Property Manager shall provide copies of the modified lease to DBH and Service Provider(s) as soon as reasonably practicable, but in no event less than thirty (30) days prior to the date on which the Owner intends to use the Lease Agreement.
3. Changes in Development. Property Manager shall promptly notify DBH and Service Provider(s) of any significant changes to the regular operations of the Development, or any potential changes or losses of funding that could impact the continued operations of the Development. Owner shall notify DBH and Service Provider(s) of any physical changes or alterations to the Development when such changes materially affect eligible households.
 - a) Management Policy and Procedures. As part of the application process Property Manager shall provide a summary of the management procedures and policies for the Development to all prospective tenants of the SNHP funded units. Property Manager shall also provide such plan to DBH and the Service Provider. Such policies and procedures shall include but not be limited to: maintenance and repair procedures, eviction procedures, procedures and forms for filing complaints, grievances, and incident reports. Owner shall also provide DBH and Service Provider(s) an overview of the reporting structure within Owner's organization and the Property Manager's organization. In the event Property Manager updates or modifies any of said policies and procedures, Property Manager shall provide copies of such modification and updates to DBH and Service Provider(s) (30) days prior to implementing such updates or modifications.
 - b) Security Plan. The Parties agree that being well prepared to handle security threats, emergencies and disasters is important to reduce the risk of harm to tenants and staff. Prior to initial rent up, Owner or Property Manager shall prepare a comprehensive safety and security plan which shall be reasonably acceptable to DBH. Such safety and security plan will include an evacuation plan and information that will enable tenants to actively participate in keeping themselves and their property safe. The safety and security plan shall include mechanisms for collecting and incorporating tenant feedback on such plan. As part of the application process, Property Manager shall provide copies of the safety and security plan to all tenants, and Service Provider(s). In the event Owner or Property Manager updates its safety and security plan, Property Manager shall promptly provide such updates to all tenants, and Service Provider(s).

- C. Communication among Parties. The Parties shall use diligent efforts to communicate

with each other and to ensure mutual accountability in carrying out each of the separate roles and functions of each Party under this MOU. The Parties agree that coordination and communication throughout a resident's tenancy is the best way to prevent problems from developing and to address them quickly as they occur. The Parties will work to create sufficient opportunities for DBH, Service Provider(s), Owner and Property Manager to share information and problem-solve, and for all parties to support community building among tenants to generate a strong working relationship within the Development.

1. Staff Directory; Contact with Service Provider(s). Prior to the execution of this MOU, each Party will prepare a directory of such Party's key staff involved with the Project (collectively, the "Project Directory") and provide such Project Directory to the other Parties. No later than ten (10) days following any change in staff listed in a Party's Project Directory, the Party shall update the Party's Project Directory and provide copies of such update to the other Parties.

D. Event Specific Communication.

1. Property Manager shall contact Service Provider(s) and DBH when an eligible household's health, safety, or housing are at risk or such other times that tenant may have authorized disclosure of information to DBH and/or Service Provider(s). The intent of such communication will be to promote the health and well-being of individual tenants and to prevent evictions.
2. Property Manager shall promptly copy the appropriate Service Provider(s) and DBH on all warning letters and all notices sent to an eligible household issued by Owner or Property Manager.
3. Property Manager shall notify the appropriate Service Provider(s) and DBH if it has concerns of a potential Relapse or Symptom Exacerbation with a tenant of an eligible household (immediately by phone and within twenty-four (24) hours of event(s) leading to such concern, in writing).
4. Property Manager shall notify the appropriate Service Provider(s) and DBH of arrests, hospitalizations, and other critical incidents that come to Property Manager's attention (immediately by phone and within twenty-four (24) hours of the event(s), in writing).
5. If an eviction is imminent, Property Manager shall communicate with the appropriate Service Provider(s) and DBH regarding the process of notices, responses and court dates; and if eviction is successful, regarding the lockout date.
6. Property Manager shall make good faith efforts to provide not less than twenty-four (24) hours' notice by phone to the appropriate Service Provider(s) if Owner intends to meet with an eligible household to discuss the Household's housing situation or to process any requests or applications or any lease violations.
7. Owner will promote collaboration and communication throughout tenancy and especially in the eviction process by attending and facilitating meetings between the Owner, DBH, Property Manager and Service Provider(s) as necessary, investigating questions and complaints about the process, and communicating

with Property Manager, Service Provider(s) and DBH about Development policies and procedures.

8. Owner will attend tenant-specific meetings, as needed, with Property Manager, Service Provider(s) and DBH in effort to assist tenants with maintaining their housing and to work cooperatively with tenants to meet their needs.
- E. Communication. Property Manager and Service Provider(s) shall establish a mutually convenient regular schedule of communication. Such communication shall be held at least one time per month, unless both Parties agree to another schedule. Upon the request of any Party, such communication may include the following:
1. The Parties shall provide an update of anticipated vacancies and move-ins.
 2. The Parties shall discuss issues set forth in the Property Management/Tenant Service Coordination Meetings attached as Exhibit A.
 3. The Parties will discuss the Property Management/Tenant Service Coordination Meeting Work Sheet along with the most recent rent roll (current tenants and unit numbers), any tenant notices served, behavioral issues and concerns, housing quality standards issues, and other service referrals.
- F. Semi-annual Meetings. At least twice each year, the Parties shall meet at a mutually convenient time to discuss the Project. DBH shall coordinate these semi-annual meetings. If agreed to by all of the Parties, the Parties may meet with other owners, and service provider(s) working with eligible households in San Bernardino County. Examples of topics to be covered at the semi-annual meetings include but are not limited to: discussion of safety issues and policy related to the Project; discussion of funding and staffing issues related to the Project; updates to policies and procedures related to coordination related to the Project; review of this MOU between the Parties; services update on eligible households and Service Participation; Owner update on financial status of Project.
- G. Eviction. All parties agree that early, consistent intervention with tenants who are out of compliance with their lease or are exhibiting signs of Relapse or Symptom Exacerbation are key to avoiding escalating problems that lead to disruptions in the Development and evictions. The Parties agree to work together to find resolutions that avoid eviction of eligible tenants whenever possible. The Parties understand that eviction is sometimes necessary for the safety and well-being of the community of residents. The Parties also understand the importance of minimizing tenant turnover and evictions, and minimizing management related costs. All parties agree to work together to secure the safety of the residents and prepare for any repercussions of any eviction.
- H. DBH's Additional Obligations.
1. DBH will oversee the functions of the Service Provider(s) including ensuring that Service Provider(s) is properly trained and equipped to carry out its function and that Service Provider(s) adequately communicates with their clients, supervisors and with Property Manager.
 2. DBH will supervise the work of Service Provider(s), and any contractors or

consultants necessary to carry out the Service Provider's obligations under this MOU.

3. DBH will ensure the County's ongoing compliance with all regulatory requirements associated with SNHP financing.
4. DBH will ensure that the eligible households are prudently and appropriately served by an experienced, professional Full Service Partner. If Service Provider(s) cannot adequately service the needs of the eligible households, DBH shall, at its discretion, replace Service Provider(s) with an appropriate alternative.

I. Service Provider's additional Obligations: DBH shall ensure Service Provider(s) will assist the eligible households referred by Service Provider(s), and who occupy SNHP funded units, as follows:

1. Service Provider(s) will provide supportive services in accordance with their responsibilities under their County Service Agreement and/or policies as proscribed by the County Department of Behavioral Health.
2. Service Provider(s) shall function as lead service provider(s) for all services, except those resident services specifically offered by the Owner or Property Manager, that are applicable to all the units in the Development. In event of such resident services, Service Provider(s) will collaborate with Property Management staff to ensure coordinated and effective service delivery for the individuals covered under this MOU.
3. Service Provider(s) shall work to promote lease compliance and successful tenancy. In the event Service Provider(s) assists in addressing or resolving a lease violation, Service Provider(s) shall keep Property Manager informed of the Service Provider's efforts.
4. Service Provider(s) shall offer assistance to tenants in requesting and obtaining a reasonable accommodation during the tenancy.
5. Service Provider(s) shall work with eligible households in imminent danger of being evicted to avoid finalization of the eviction process through voluntary departure.
6. Service Provider(s) shall cooperate with Property Management procedures to ensure that eligible households receive accurate, appropriate and timely information relating to their tenancy from Property Manager.

J. Owner's Additional Obligations.

1. Owner will instruct Property Manager to respond to complaints and concerns from DBH, Service Provider(s) and eligible Tenants. Owner will instruct Property Manager to answer tenant questions and concerns about fair implementation of Development policies and procedures.
2. Owner will oversee the functions of the Property Manager and the creation and implementation of the Property Manager's strategy for effective communication and responsiveness to tenants.

3. Owner will ensure that all on site Property Management staff are trained on when to call the emergency service providers, when to communicate with their supervisors and with Service Provider(s) (or tenant's other designated service provider) in the event of an emergency.
4. Owner will complete, submit, and execute all applications, documents, and/or agreements in connection with financing for the purposes of acquiring the underlying real property on which the Project will be constructed and constructing the Project.
5. Owner will coordinate the creation of architectural plans for the Project and the selection of engineers, contractors, and consultants.
6. Owner will supervise the work of such engineers, contractors and consultants.
7. Owner will coordinate and administer the design and construction of the entire Project.
8. Owner will ensure ongoing compliance with all regulatory agreements related to Federal, State, County and City financing sources for the applicable compliance periods.
9. Owner will respond, or direct Property Manager to respond to requests by DBH staff to provide aggregate information relating to rental and service records of SNHP funded units for the purpose of reporting outcome data.
10. Owner will ensure the Project is prudently and appropriately managed by an experienced professional property management company.
11. Owner will provide for non-clinical social service programs at the Project for its residents.

ARTICLE VII MISCELLANEOUS

- A. Term. This MOU shall commence on May 18, 2021 and continue until May 18, 2041, unless terminated earlier per Section M of this Article VII.
- B. Payment Obligations. DBH is not agreeing to make any payments to Owner or Property Manager under this Agreement.
- C. Assignment. The Parties acknowledge that Owner and DBH expect to delegate some of their rights and obligations under this MOU to the Property Manager and Service Provider(s), respectively. The Parties further acknowledge that Property Manager will have the primary responsibility to manage the Development, and Service Provider(s) will have primary responsibility to directly oversee Services to eligible households. In the event Owner or DBH assign any of their rights and obligations related to the Development or this MOU, the assigning party shall ensure compliance with the terms and provisions of this MOU. Furthermore, the rights and obligations of this MOU shall bind and benefit any successors or assigns of the parties.

- D. Trainings. DBH may provide centralized trainings and resources related to supportive housing and housing eligible households as needed by the Parties.
- E. Dispute Resolution. In the event of any controversy or dispute related to or arising out of this MOU, a Party shall notify the other Parties in writing. Within fifteen (15) days of such notice, the Parties shall meet and confer in good faith to attempt to resolve the controversy or dispute without an adversarial proceeding. If the controversy or dispute is not resolved to the mutual satisfaction of the Parties at the initial meeting, the Parties will agree to meet and confer at least three (3) additional meetings within a forty-five (45) day period for a minimum of one (1) hour at each meeting prior to taking any additional action against any Party.
- F. Nondiscrimination. The Parties agree that there shall be no discrimination by any Party of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual orientation, age, handicap, ancestry or national origin in the operation of the Development or the Project.
- G. Severability. In the event any provision of this MOU shall be found to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity, legality and enforceability of the remainder of this MOU.
- H. Amendments. This MOU may be amended only in writing and authorized by the designated representatives of Parties. This MOU may be changed from time to time by the Parties in writing, and will be jointly reviewed annually and modified if mutually agreed to by the parties.
- I. Notice. Formal notices, demands, and communications between the Parties shall be sufficiently given if and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by express delivery service, return receipt requested, or delivered personally, to the principal office of the Parties as follows:

DBH: County of San Bernardino Department of Behavioral Health:
Address: 303 E. Vanderbilt Way, Suite 400
San Bernardino, CA 92415
Attention: Veronica Kelley, DSW, LCSW, Director

Owner: Bloomington III Housing Partners, L.P.
c/o The Related Companies of California:
Address: 18201 Von Karman Ave., Suite 900
Irvine, CA 92612
Attention: Frank Cardone, President

Property Manager: The John Stewart Company:
Address: 888 S. Figueroa Street, Suite 400
Los Angeles, CA 90017
Attention: Carlos Ortiz, Vice President

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as

provided in this Section. Receipt shall be deemed to have occurred on the date shown on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable).

- J. Multiple Originals; Counterpart. This MOU may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterpart. Counterparts may be delivered via facsimile or electronic mail (including a .pdf or any electronic signature complying with California's Uniform Electronic Transactions Act [Cal. Civil Code Section 1633.1, et seq.] or other applicable law), such as DocuSign or such other commercially available electronic signature software, or other transmission method, and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.
- K. No Third Party Beneficiaries. There shall be no third party beneficiaries to this Agreement.
- L. Indemnification and Insurance.

- 1. Indemnification

- Owner agrees to indemnify, defend (with counsel reasonably approved by the County) and hold harmless the County and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Contract performed by Owner from any cause whatsoever, including the acts, errors or omissions of Owner and for any costs or expenses incurred by the County on account of any claim except where such indemnification is prohibited by law; provided, however, the Owner's indemnification obligation applies to the County's "active" as well as "passive" negligence but does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782

- 2. Additional Insured

- All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies, shall contain endorsements naming the County and its officers, employees, agents and volunteers as additional insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

- 3. Waiver of Subrogation Rights

- Owner shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors, and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Owner and Owner's employees or agents from waiving the right of subrogation prior to a loss or claim. The Owner hereby waives all rights of subrogation against the County.

4. Policies Primary and Non-Contributory

All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

5. Severability of Interests

Owner agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Owner and the County or between the County and any other insured or additional insured under the policy.

6. Proof of Coverage

Owner shall furnish Certificates of Insurance to the County Department administering the MOU evidencing the insurance coverage at the time the MOU is executed. Additional endorsements, as required, shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Owner shall maintain such insurance from the time Owner commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this MOU, the Owner shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and all endorsements immediately upon request.

7. Acceptability of Insurance Carrier

Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A-VII".

8. Deductibles and Self-Insured Retention

Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

9. Failure to Procure Coverage

In the event that any policy of insurance required under this MOU does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to cancel the MOU or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by the Owner or County payments to the Owner will be reduced to pay for County purchased insurance.

10. Insurance Review

Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management

determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this MOU. Owner agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

11. Insurance Specifications

Owner agrees to provide insurance set forth in accordance with the requirements herein, except as otherwise provided herein. If the Owner uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Owner agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the MOU services.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Owner shall secure and maintain throughout the MOU term the following types of insurance with limits as shown:

12. Workers' Compensation/Employers Liability

A program of Workers' Compensation insurance or a State-approved, Self-Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits, covering all persons including volunteers providing services on behalf of the Owner and all risks to such persons under this MOU.

If Owner has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.

With respect to Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

13. Commercial/General Liability Insurance

Owner shall carry General Liability Insurance covering all operations performed by or on behalf of the Owner providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- a. Premises operations and mobile equipment.
- b. Products and completed operations.
- c. Broad form property damage (including completed operations).
- d. Explosion, collapse and underground hazards.
- e. Personal Injury.
- f. Contractual liability.
- g. \$2,000,000 general aggregate limit.

14. Automobile Liability Insurance

Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If the Owner is transporting one or more non-employee passengers in performance of MOU services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If the Owner owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

15. Umbrella Liability Insurance

An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

16. Cyber Liability Insurance (The following insurance shall be carried by the Service Provider and shall name the Owner as an additional insured.)

Cyber Liability Insurance with limits of not less than \$1,000,000 for each occurrence or event with an annual aggregate of \$5,000,000 covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security.

The policy shall protect the involved County entities and cover breach response cost as well as regulatory fines and penalties.

17. Professional Services Requirements (The following insurance shall be carried by the Service Provider and shall name the Owner as an additional insured.)

- a. Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim or occurrence and two million (\$2,000,000) aggregate.

or

Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) per occurrence and two million (\$2,000,000) aggregate.

or

Directors and Officers Insurance coverage with limits of not less than one million (\$1,000,000) shall be required for contracts with charter labor committees or other not-for-profit organizations advising or acting on behalf of the County.

- b. Abuse/Molestation Insurance (The following insurance shall be carried by the Service Provider and shall name the Owner as an additional insured) – The Owner shall have abuse or molestation insurance providing coverage for all employees for the actual or threatened abuse or molestation by anyone of any person in the care, custody, or control of any insured, including negligent employment, investigation, and supervision. The policy shall provide coverage for both defense and indemnity with liability limits of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate.

18. If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the start of the MOU work. The “claims made” insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after MOU completion.

M. Termination:

- 1. In the event any party hereto is in default of any of its obligations hereunder, any other party not then in default may send a written notice to the defaulting party setting forth, with specificity, the nature of the default. If the defaulting party has not cured the default within thirty (30) days of its receipt of the receipt of the notice of default or, for defaults that cannot reasonably be cured within thirty (30) days, has not commenced to cure the default within thirty (30) day period and diligently pursued completion of the cure, the party which sent the notice may terminate this MOU by sending the written notice to the other parties hereto.
- 2. The obligations of the Parties under this MOU are contingent upon the continued availability of Federal, State, and/or County funds, and inclusion of sufficient

appropriations approved each fiscal year this MOU is in effect or in operation. In the event that such funding is terminated or reduced, any Party may terminate this MOU or reduce its obligations accordingly for each fiscal year this MOU is in effect upon thirty (30) days written notice to the other parties.

- N. Venue. The Parties acknowledge and agree that this MOU was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue of any action or claim brought by any party to this MOU will be the Superior Court of California, County of San Bernardino, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this MOU is brought by any third-party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino, San Bernardino District.
- O. Choice of Law. This MOU shall be governed by and construed according to the laws of the State of California.
- P. This MOU may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same MOU. The parties shall be entitled to sign and transmit an electronic signature of this MOU (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed MOU upon request.

WHEREAS, this MOU has been entered into by the Parties as of the date first above written.

Owner:

BLOOMINGTON III HOUSING PARTNERS, L.P.,
a California limited partnership

By: Related/Bloomington III Development Co., LLC,
a California limited liability company,
its managing general partner

By: _____
Frank Cardone, President and Secretary

By: HPI Bloomington III LLC,
a California limited liability company,
its co-general partner

By: Housing Partners I, Incorporated,
a California nonprofit public benefit corporation,
its sole member

By: _____
Lee McDougal, President

By: LBI Valley Bloomington, LLC,
a California limited liability company,
Its co-general partner

By: LaBarge Industries, LLC,
a Delaware limited liability company,
its sole member

By: _____
Joshua LaBarge, Manager

(signatures continue on following page)

Property Manager:

The John Stewart Company

By: _____
Carlos Ortiz, Vice President

(signatures continue on following page)

COUNTY OF SAN BERNARDINO



Curt Hagman, Chair, Board of Supervisors

Dated: _____

**SIGNED AND CERTIFIED THAT A COPY OF THIS
DOCUMENT HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD**

Lynna Monell
Clerk of the Board of Supervisors
of the County of San Bernardino

By _____

Deputy

Exhibit A
PROPERTY MANAGEMENT/TENANT SERVICE COORDINATION
MEETING WORK SHEET

Property/Project: _____ Date: _____

Attendees: _____

During this meeting you should thoroughly review the status of all SNHP tenants who live in the property. You should bring the worksheet from the previous meeting with you so that you can track changes and conduct follow-up to action steps that were developed. A copy of this form should be retained by Management and Services.

General Issues: (“peer check-in”, staffing issues, major site issues, data needs and reporting)

New Tenant Move-In (name of tenant, unit #, date of move-in, date of welcoming event)

1. _____
2. _____
3. _____
4. _____

Tenant Move-out (name of tenant, unit # date of move-out, status of exit interview)

1. _____
2. _____
3. _____
4. _____

Screening Status (name of applicant, SNHP certification, date of screening, applicant status)

1. _____
2. _____
3. _____
4. _____

Housing Retention – Rent Payment (name of tenant, unit #, status of notices, status of payment plan, status of subsidy, describe outreach plan, list action steps)

1.

2.

3.

4.

5.

6.

7.

8.

9.

Housing Retention - Rules Violations/Behavioral Issues (name of tenant, unit #, state violation/behavior issues, program violations, special family issues, status of notices, describe outreach plan, list action steps)

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

Life Retention/Health Watch (name of tenant, unit #, explain situation, describe outreach plan, list action steps for intervention/assistance needed from services and Management staff, date and outcome of last wellness check—note this section is for tenants in crisis, hospitalizations, major health issues, and mental health issues)

1. _____

2. _____

3. _____

4. _____

Legal Issues (describe status of any legal issues related to tenancy)

1. _____
2. _____

Other Issues (building maintenance, community issues, etc)

1. _____
2. _____

Upcoming Events (meetings, trainings and other functions)

1. _____
2. _____

Comments (any additional thoughts or comments)

1. _____
2. _____