

COUNTY OF MONTEREY LEASE AGREEMENT



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|------------------|--|
| LEASED PREMISES: | 124 River Road Salinas, California 93908 |
| DEPARTMENT: | Health Department (Behavioral Health Bureau) |
| LESSOR: | Seneca Family of Agencies (Central Coast) c/o Executive Director 124 River Road Salinas, California, 93908 (831) 455-9965 |

COUNTY OF MONTEREY LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is made by and between **Seneca Family of Agencies**, (“LESSOR”) and the **County of Monterey**, a political subdivision of the State of California (“LESSEE”) (sometimes collectively referred to as “the parties”), for the Monterey County Health Department’s Behavioral Health Bureau (“Behavioral Health”) as of the last date opposite the respective signatures below.

RECITALS

WHEREAS, the LESSEE was awarded the California Health Facilities Financing Authority (“CHFFA” or “the Authority”) Investment in Mental Health Wellness Grant Program for Children and Youth infrastructure funds in the amount of \$1,851,546.21, for the grant period February 24, 2022 through June 30, 2024, to develop a Crisis Stabilization and Crisis Residential Treatment program.

WHEREAS, the LESSEE executed Grant Agreement Number CY MONT-02 accepting a CHFFA Investment in Mental Health Wellness Grant Program for Children and Youth award to develop a Crisis Stabilization and Crisis Residential Treatment program.

WHEREAS, the LESSEE's Contracts and Purchasing Department approved a Sole Source Justification to renovate LESSOR's existing property to develop a Crisis Residential Treatment and Crisis Stabilization program.

WHEREAS, pursuant to California Code of Regulations 7326, to use the CHFFA grant funds for renovation on property that is leased, the LESSEE shall execute a Lease Agreement with LESSOR to lease LESSOR's property, situated at 124 River Road in Salinas, California.

WHEREAS, the purpose of this Lease is to set forth the terms and conditions under which the LESSEE and LESSOR will use space specifically for the development of a Crisis Stabilization and Crisis Residential Treatment program renovation project funded by CHFFA grant funds.

WHEREAS, the parties understand and agree that the following Lease Exhibits are attached and incorporated by this reference:

| | |
|------------|---|
| EXHIBIT A1 | DESCRIPTION OF PREMISES |
| EXHIBIT A2 | DESCRIPTION OF BUILDING |
| EXHIBIT A3 | LEGAL DESCRIPTION OF REAL PROPERTY |
| EXHIBIT B | PROPOSITION 65 WARNING |
| EXHIBIT C | EXCERPT OF GRANT FUNDING REQUIREMENTS |
| EXHIBIT D | LESSEE'S GRANT AGREEMENT WITH CHFFA |
| EXHIBIT E | MEMORANDUM OF LEASE AGREEMENT |
| EXHIBIT F | MEMORANDUM OF LEASE AGREEMENT TERMINATION |

NOW, THEREFORE, LESSOR and LESSEE hereby agree as follows:

ARTICLE 1 – DESCRIPTION OF PREMISES, BUILDING, & REAL PROPERTY

1.1 Description: LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR, upon the terms and conditions herein set forth, that certain real property and its appurtenances, situated at **124 River Road, Salinas, California 93908** (the "Building") consisting of approximately 6,205 square feet of space within the Building as designated in **EXHIBIT A1– DESCRIPTION OF PREMISES - Current Basic Floor Plan**, attached and incorporated by this reference (hereinafter, "the Premises"). The Building consists of approximately 27,513 square feet of space, more particularly described in **EXHIBIT A2 – DESCRIPTION OF BUILDING**, attached and incorporated by this reference. The Building is part of the real property and its appurtenances commonly known as Assessor's Parcel Number (APN) 139-211-024 (the "Real Property"), more particularly described in **EXHIBIT A3 – LEGAL DESCRIPTION OF REAL PROPERTY**, attached and incorporated by this reference.

ARTICLE 2 - TERM

2.1 Lease Term: The term of this Lease shall commence November 1, 2022. The Lease Term shall end ten (10) years after the issuance of a Certificate of Occupancy from the local jurisdiction's planning and building department or LESSEE's final walk through and approval of all Premise Improvements, whichever is later.

ARTICLE 3 - CONSIDERATION

Consideration to LESSOR for this Lease is the LESSEE's full and timely compliance with all the terms and
124 River Road, Salinas_County lease with Seneca (Rev 5-10-23)

conditions of this Lease.

ARTICLE 4 - NOTICES

All notices or correspondence provided for herein shall be effective only when made in writing, personally delivered or deposited in the United States mail, sent certified, postage prepaid, and addressed as follows:

To LESSOR: Seneca Family of Agencies
c/o Chief Executive Officer
8945 Golf Links Road
Oakland, California 94605
Phone: (510) 654-4004
E-mail: info@senecacenter.org

To LESSEE: County of Monterey
Public Works, Facilities and Parks
c/o Real Property Specialist
1441 Schilling Place, South Bldg., 2nd Fl
Salinas, California 93901
Phone: (831) 755-4859
Email: salcidog@co.monterey.ca.us

And: Seneca Family of Agencies
(Central Coast)
c/o Executive Director
124 River Road
Salinas, California 93908
Phone: (831) 455-9965
Email: info@senecacenter.org

And: County of Monterey
Health Department
Facilities Manager
1270 Natividad Rd.
Salinas, California 93906
Phone: (831) 755-4513
Email: leventonc@co.monterey.ca.us

Any notice or correspondence shall be deemed delivered upon personal delivery or five (5) days after notice is mailed. Correspondence other than notices may be given by phone, regular mail, email or facsimile. Any correspondence sent by facsimile shall also be sent by United States mail if requested by either party. By written notice to the other, either party may change its own mailing address or correspondence information.

ARTICLE 5 - PREMISE IMPROVEMENTS

5.1 Premise Improvements:

LESSOR shall construct improvements to and make installations in the Premises (collectively “Premise Improvements”) in accordance with plans and specifications to be approved by LESSEE and LESSOR (“Plans and Specifications”) and in accordance with **EXHIBIT D – LESSEE’S GRANT AGREEMENT WITH CHFFA**, attached and incorporated by this reference.

LESSOR and LESSEE shall agree upon all Premise Improvement costs (presented in itemized format) and the construction schedule for the Premise Improvements (presented in an itemized and sequential format) prior to commencement of construction of the Premise Improvements.

5.2 CHFFA Grant Funding for Premise Improvements:

LESSEE shall request that CHFFA release **One Million Eight Hundred and Fifty-One Thousand Five Hundred Forty-Six and 21/100 Dollars (\$1,851,546.21)** in grant funds (“Grant Funds”) to LESSOR for Premise Improvements pursuant to California Code of Regulations 7315 (Eligible Project costs), 7323 (Use of Grant), 7324 (Grant Agreement), 7325 (Release of Grant Funds), 7326 (Requirements for Construction Projects on Leased Property), 7327 (Recovery of Funds for Non-Performance and Unused Grant Funds; Remedies), 7328 (Reporting Requirements), and 7329 (Records Retention, Inspections and Audits), all of which are further outlined in **EXHIBIT C – EXCERPT OF GRANT FUNDING REQUIREMENTS**.

5.3 Premise Improvement Warranties: LESSOR warrants to LESSEE that all materials and equipment furnished by LESSOR in its improvement of the Premises shall be new unless otherwise specified in the Plans and Specifications, and that all of LESSOR’s work to be performed under the Plans and Specifications shall be of good and workmanlike quality, free from faults and defects. Any of LESSOR’s work not

conforming to the above standards shall be considered defective.

For one (1) year after the date of substantial completion of Premise Improvements, LESSOR shall, following written notice from LESSEE, promptly, unconditionally and at LESSOR'S sole cost and expense, make any repair, replacement, correction or other alteration of any nature necessary by virtue of any defective construction of the Premises or defective materials used therein. Thereafter, LESSOR shall promptly make or cause to be made all repairs, replacements, corrections or alterations, at no expense to LESSEE, to correct latent defects in the Premises.

ARTICLE 6 - NOTICE OF COMPLETION

If applicable, LESSOR will ensure that a properly prepared Notice of Completion is filed with the County Clerk-Recorder's Office on all construction and remodeling work performed as a result of this Lease. The Notice of Completion form is to be filed within ten (10) working days after the LESSOR and the LESSEE have concurred that the construction is complete. LESSOR shall forward a copy of the recorded Notice of Completion to LESSEE within five (5) days of recordation.

ARTICLE 7 - PUBLIC WORKS LAWS

Pursuant to California Labor Code Section 1720.2, any construction work done under private contract to improve the space to be leased by the County of Monterey for government services may be considered a 'public work' when all of the following conditions exist: a) The construction contract is between private persons. (b) The property subject to the construction contract is privately owned, but upon completion of the construction work, more than 50 percent of the assignable square feet of the property is leased to the state or a political subdivision for its use. (c) Either of the following conditions exists: (1) the lease agreement between the lessor and the state or political subdivision, as lessee, was entered into prior to the construction contract. (2) The construction work is performed according to plans, specifications, or criteria furnished by the state or political subdivision, and the lease agreement between the lessor and the state or political subdivision, as lessee, is entered into during, or upon completion of, the construction work.

If applicable, LESSOR shall comply with provisions of law governing public works including, without limitation, California Labor Code Sections 1773, 1773.2, 1773.3, 1773.8, 1775 (payment of prevailing wages), 1776 (payroll records), and 1777.5 (employment of apprentices) as may be amended from time to time.

ARTICLE 8 - USE

8.1 Use: LESSOR shall use the Premises for **Crisis Residential Treatment and Crisis Stabilization Unit programs**. LESSOR may alter said use to any lawful purpose, upon the written consent of LESSEE, which consent shall not be unreasonably withheld.

8.2 Compliance with Laws: LESSOR represents and warrants to LESSEE that, to the best of LESSOR's knowledge, the construction (including all LESSOR-constructed Premise Improvements), the current and proposed uses, and the operation of the Premises are in full compliance with applicable building and seismic codes, environmental, zoning and land use laws, and other applicable local, state and federal laws, regulations and ordinances. LESSOR absolves LESSEE of legal or other responsibility for any code violations or other deviations from applicable local, state and federal laws, regulations and ordinances as may be listed above.

ARTICLE 9 - SERVICES AND UTILITIES

All services and utilities for the Premises shall be provided by the LESSOR, at LESSOR's sole cost and expense.

ARTICLE 10 - REPAIR AND MAINTENANCE

All repairs and maintenance for the Premises shall be provided by the LESSOR, at LESSOR's sole cost and expense.

ARTICLE 11 - INSURANCE AND INDEMNIFICATION

LESSOR shall maintain public liability and property damage coverage or program of self-insurance with liability limits of not less than \$5,000,000 for injury or death to one (1) or more persons and property damage limits of not less than \$1,00,000 per occurrence insuring against all liability of LESSEE and its authorized representatives arising out of and in connection with LESSOR's use or occupancy of the Premises.

LESSOR, during the term hereof, shall indemnify, defend and hold harmless the LESSEE from and against any and all claims and demands whether for injuries to persons or loss of life, or damage to property, to the extent arising out of acts or omissions of the LESSOR.

LESSOR agrees that it will keep insured against loss or damage by fire, at full replacement value, the Building, which insurance shall be, at a minimum, comparable to the coverage and amounts of insurance that are carried by reasonably prudent landlords of comparable buildings in the City of Salinas.

LESSOR shall maintain, and require all contractors and subcontractors to maintain, self-insurance or insurance policies which name the County of Monterey, its officers and employees as additional insureds, be primary and noncontributory, and waive subrogation, and LESSOR shall provide the LESSEE with a copy of a Certificate of Insurance evidencing such coverage within (sixty) 60 days of the effective date of this assignment, and annually thereafter.

ARTICLE 12 – CONFIDENTIALITY OF LESSEE'S SERVICES/CLIENTS

LESSOR and its agents shall exercise all possible care to preserve and maintain the confidentiality of any records and information, consistent with state and federal privacy laws relating to private and medical information. This includes protection of the identity of patients, clients, and users of the Premises.

ARTICLE 13 - DESTRUCTION

If the Premises are totally destroyed by fire or other casualty, either party may terminate this Lease immediately by giving notice to the other party.

If such casualty shall render ten percent (10%) or less of the area of the Premises unusable for the purpose intended, LESSOR shall effect restoration of the Premises as quickly as is reasonably possible, but in any event restoration shall begin within thirty (30) days after such destruction.

If such casualty shall render more than ten percent (10%) of such floor space unusable but not constitute total destruction, LESSOR shall forthwith give notice to LESSEE of the specific number of days required to repair the same.

LESSEE shall assist LESSOR with obtaining all applicable building permits if necessary.

LESSOR and LESSEE understand that, in normal circumstances, work cannot commence before a building permit is obtained. Time deadlines set forth herein shall not commence before required permits are issued. LESSOR warrants to diligently pursue issuance of said permits.

ARTICLE 14 - WAIVER

Any waiver of any term or condition of this Lease must be in writing and signed by LESSEE and LESSOR. The waiver by LESSOR or LESSEE of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition, nor shall either party consent to any breach of any term, covenant or condition, nor shall either party be deemed to constitute or imply its consent to any subsequent breach of the same or other term, covenant or condition herein contained.

ARTICLE 15 - SUBORDINATION

This Lease shall be subject and subordinated to the lien of any mortgages and deeds of trust which are hereafter placed against the LESSOR'S interest or estate in the property provided that the mortgagor or beneficiary under such mortgage or deed of trust shall agree in writing that, in the event of a foreclosure of same or of any other such action or proceeding for the enforcement thereof, or of any sale thereunder, this Lease shall not be barred, terminated, cut off, or foreclosed, nor will the rights and possession of LESSEE hereunder be disturbed if LESSEE shall not then be in default under the terms of this Lease, and LESSEE shall attorn to the purchaser at such foreclosure, sale or other action or proceeding. The foregoing subordination shall be effective without the necessity of having any further instruments executed by LESSEE, but LESSEE shall nonetheless execute, upon demand, such further instruments evidencing such subordination as may be reasonably requested by LESSOR or any mortgagee or beneficiary.

ARTICLE 16 - ESTOPPEL CERTIFICATE

Within thirty (30) days of written notice by one party to the other, each will execute, acknowledge and deliver to the other an estoppel certificate in writing declaring any modifications, defaults or advance payments and whether the lease, as may be modified, is in full force and effect. Any such certificate may be conclusively relied upon for the intended transaction for which the statement was requested.

ARTICLE 17 - MISCELLANEOUS PROVISIONS

17.1 Amendment: This Lease may be amended or modified only by an instrument in writing signed by LESSEE and LESSOR.

17.2 Time is of the Essence: Time is of the essence of in each and all of the provisions of this Lease.

17.3 Binding Effect: Subject to any provision hereof restricting assignment or subletting by LESSEE, this Lease shall bind the parties, their personal representatives, successors, and assigns.

17.4 Invalidity: The invalidity of any provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

17.5 Authority: Any individual executing this lease on behalf of LESSEE or LESSOR represents and warrants hereby that he or she has the requisite authority to enter into this Lease on behalf of such party and bind the party to the terms and conditions of this Lease.

17.6 Interpretation of Conflicting Provisions: In the event of any conflict or inconsistency between the provisions of this Lease and the provisions of any addendum or exhibit attached hereto, the provisions of this Lease shall prevail and control.

17.7 Successors and Assigns: This Lease and the rights, privileges, duties, and obligations of LESSEE and LESSOR under this lease, to the extent assignable or delegable, shall be binding upon and inure to the benefit

of the parties and their respective successor, permitted assigns, and heirs.

17.8 Headings: The headings in this lease are for convenience only and shall not be used to interpret the terms of this Lease.

17.9 Governing Law: This Lease shall be governed by and interpreted under the laws of the State of California.

17.10 Construction of Lease: LESSEE and LESSOR agree that each party has fully participated in the review and revision of this Lease 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 lease or any amendment to this Lease.

17.11 Counterparts: This Lease may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same Lease.

17.12 Integration: This Lease, including the exhibits and addenda, represents the entire agreement between LESSEE and LESSOR with respect to the subject matter of this Lease and shall supersede all prior negotiations, representations or agreements, either written or oral, between LESSEE and LESSOR as of the effective date of this Lease, which is the date that LESSEE signs this Lease.

17.13 Incorporation of Recitals: The parties understand and agree that the preamble and recitals above are hereby incorporated into this Lease.

ARTICLE 18 - PROPOSITION 65 WARNING

If applicable to the Premises which are the subject of this Lease, LESSOR agrees to post the **CALIFORNIA PROPOSITION 65 WARNING** on the Premises in substantially the same form as set forth in **EXHIBIT B - CALIFORNIA PROPOSITION 65 WARNING** attached and incorporated by this reference.

ARTICLE 19 – LESSOR’S STATEMENT REGARDING DISABILITY ACCESS & CERTIFIED ACCESS SPECIALIST INSPECTION (CASp) REPORT

Pursuant to California Civil Code Section 1938 (a), LESSOR represents that the Premises [] has [X] has not undergone inspection by a Certified Access Specialist (CASp).

Pursuant to California Civil Code Section 1938 (b), if the Premises has undergone inspection by a CASp, and to the best of LESSOR’s knowledge, there have been no modifications or alterations completed or commenced between the date of the inspection and the date of execution of the Lease Agreement which have impacted the subject premises’ compliance with construction related accessibility standards, LESSOR shall provide, prior to execution of the Lease Agreement, a copy of any report prepared by the CASp with an agreement from LESSEE that information in the report shall remain confidential, except as necessary for the LESSEE to complete repairs and corrections of violations of construction related accessibility standards that the LESSEE agrees to make.

Pursuant to California Civil Code Section 1938 (c), making any repairs or modifications necessary to correct violations of construction related accessibility standards that are noted in a CASp report is presumed to be the responsibility of the LESSOR, unless otherwise mutually agreed upon by LESSOR and LESSEE. LESSEE shall have the opportunity to review any CASp report prior to execution of the Lease. If the report is not provided to the LESSEE at least 48 hours prior to execution of the Lease

Agreement, LESSEE shall have the right to rescind the Lease, based upon the information contained in the report, for 72 hours after execution of the Lease Agreement.

Pursuant to California Civil Code Section 1938 (d), if the Premises have been issued an inspection report by a CASp, as described in paragraph (1) of subdivision (a) of Section 55.53, indicating that it meets applicable standards, as defined in paragraph (4) of subdivision (a) of Section 55.52, LESSOR shall provide a copy of the current disability access inspection certificate and any inspection report to LESSEE not already provided pursuant to subdivision (b) within seven (7) days of the date of the execution of the Lease Agreement.

Pursuant to California Civil Code Section 1938 (e), if the Premises have not been issued a disability access inspection certificate, as described in subdivision (e) of Section 55.53, LESSOR shall state the following on the Lease Agreement:

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

ARTICLE 21 – RECORDATION

LESSOR agrees to execute a Memorandum of Lease Agreement that LESSEE may record with the appropriate Recording Officer, in a form acceptable to LESSOR and LESSEE substantially similar to that attached hereto as EXHIBIT E – MEMORANDUM OF LEASE AGREEMENT. The date set forth in the Memorandum of Lease Agreement is for recording purposes only and bears no reference to commencement of either term or Lease Fee payments. LESSOR agrees to execute a Memorandum of Lease Agreement Termination that LESSEE may record with the appropriate Recording Officer, in a form acceptable to LESSOR and LESSEE substantially similar to that attached hereto as EXHIBIT F – MEMORANDUM OF LEASE AGREEMENT TERMINATION. The execution and recordation of the Memorandum of Lease Agreement Termination shall coincide with the Stated Expiration Date of the Lease.

ARTICLE 22 – REQUIREMENTS PURSUANT TO CHAPTER 7 OF THE CALIFORNIA CODE OF REGULATIONS, TITLE 4

22.1 Section 7326 Requirements. Regardless of any term in this lease agreement to the contrary, the parties agree as follows:

- a. LESSEE shall have full access to the Real Property to carry out the Project.
- b. The term of this lease agreement is equal to or greater than the useful life of the Project.
- c. Any existing or subsequent encumbrance on the Real Property (e.g., deed of trust) or sale of the Real Property shall be subject to this lease agreement.
- d. The only remedy for any default, including failure to pay rent, is suit for rent or specific performance to remedy specific breach. The LESSOR's remedies for any default by LESSEE may not include cancellation of lease agreement, retaking of Real Property, or eviction of LESSEE.

- e. LESSOR shall provide a current title report on the Real Property, brought up to date as of the effective date of the lease agreement to the Authority. The title report shall show the following:
 - 1. No delinquent taxes or assessments or, if there are delinquent taxes or assessments, these are being contested in good faith.
 - 2. No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.
 - 3. A restrictive covenant recorded in the chain of title that the property shall be used only for Crisis Residential Treatment, Crisis Stabilization or Family Respite Care during the useful life of the leasehold improvements funded by the Grant.
 - 4. Fee title is subject to the lease agreement and recorded in the chain of title.
- f. By approval of this lease agreement as to form and pursuant to the requirements of California Code of Regulations section 7326, LESSEE's legal counsel or authorized officer hereby certifies that the lease agreement conforms to Section 7326, subdivisions (a)(1) through (a)(5), including a statement of the projected useful life of the Project as memorialized in lease agreement section 22.1(b) above. The LESSEE's legal counsel has been consulted.
- g. **Consequences for Premature Release of Lease Agreement.** If this lease agreement terminates prior to the end of the useful life of the Project, the Authority is entitled to recover the Grant funds, unless either applies:
 - 1. The Real Property is simultaneously released under a new lease agreement that complies with the requirements of Section 7326, or
 - 2. Fee title to the Real Property is simultaneously transferred to the LESSEE subject to the terms of Section 7326.

22.2 Chapter 7 of Title 4 generally. Chapter 7 of Title 4 of the California Code of Regulations, sections 7313 to 7329 inclusive ("Chapter 7"), shall be incorporated into this Agreement by express reference and by inclusion under Exhibit C. To the extent there is a conflict between the terms of this agreement and Chapter 7, or in the event any necessary term is omitted, the terms and conditions of Chapter 7 shall control.

IN WITNESS WHEREOF, the LESSOR and LESSEE have executed this Lease on the date set forth beneath their respective signatures below.

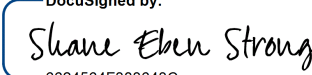
LESSEE: (County of Monterey), a subdivision of the State of California

By: _____
Elsa Jimenez, MPH

Title: Director of Health Services

Date: _____

APPROVED AS TO FORM & LEGALITY: (Office of the County Counsel)

DocuSigned by:

By: _____
6624564F383643C...
Shane Eben Strong

Title: Deputy County Counsel

Date: 8/24/2023 | 1:33 PM PDT

APPROVED AS TO FISCAL PROVISIONS: (County Auditor/Controller)

DocuSigned by:

By: _____
4E7E657875454AE...
Name: Jennifer Forsyth

Title: Assistant Auditor Controller

Date: 8/24/2023 | 4:35 PM PDT

APPROVED AS TO LIABILITY PROVISIONS: (County Risk Management)¹

DocuSigned by:

By: _____
2EF8DC76EE5547F...
Name: Leslie Girard

Title: Risk Manager


Date: 8/24/2023 | 1:55 PM PDT

LESSOR: (Seneca Family of Agencies)

By: 
Leticia Galyean

Title: President/Chief Executive Officer

Date: 8/23/2023

By: 
Scott Osborn

Title: Chief Operating Officer

Date: 8/23/2023

¹ Approval by Risk Management is necessary only if changes are made to Articles pertaining to standard insurance or indemnification language.

EXHIBIT A1

DESCRIPTION OF PREMISES Current Basic Floor Plan FIRST FLOOR



EXHIBIT A2

DESCRIPTION OF BUILDING Current Basic Floor Plan

FIRST FLOOR



SECOND FLOOR

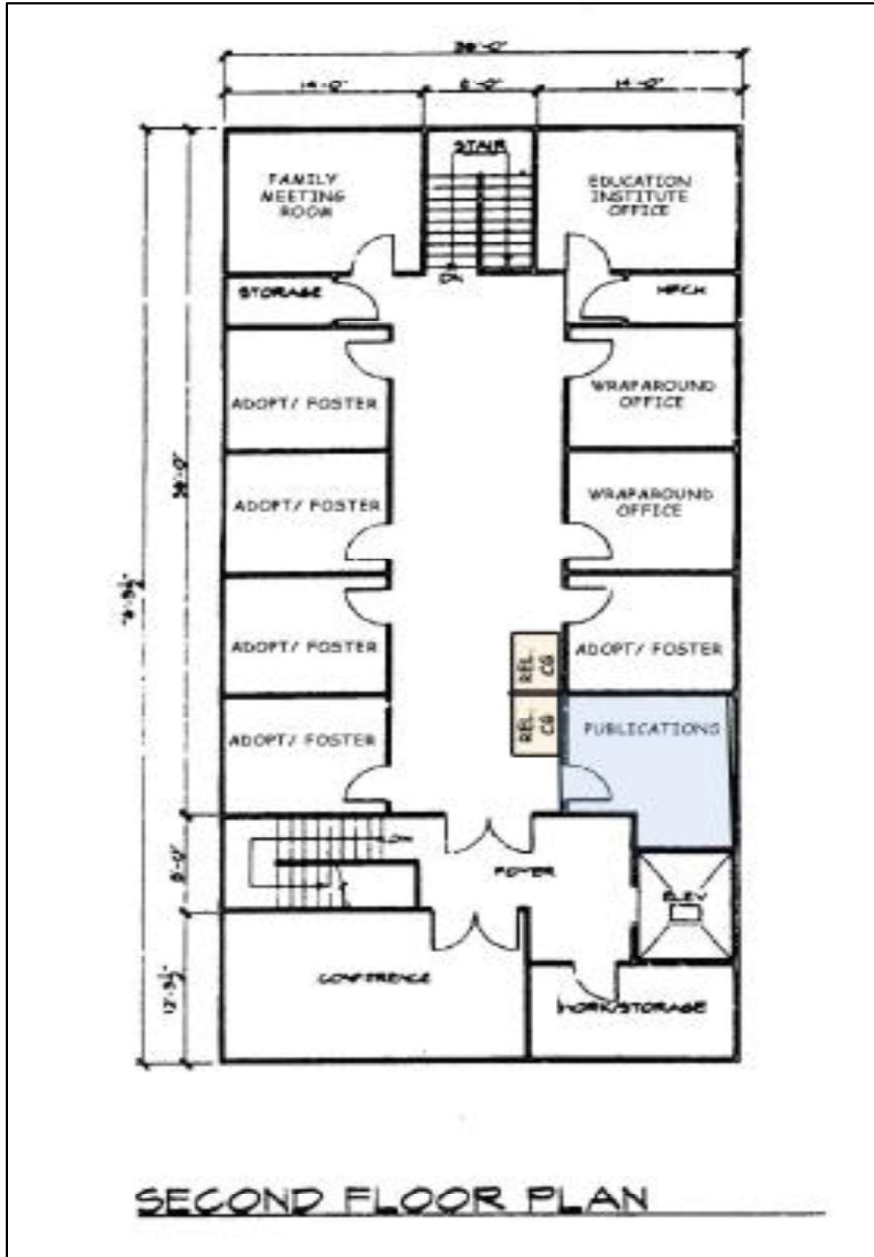


EXHIBIT A3

LEGAL DESCRIPTION OF REAL PROPERTY

The land is situated in the County of Monterey, State of California, and is described as follows:

For APN/Parcel ID(s): 139-211-024

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF MONTEREY, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL N, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "AMENDED MAP OF LAS PALMAS RANCH COREY HOUSE AREA/UNIT 2, TRACT NO. 1087 A" WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF MONTEREY COUNTY, CALIFORNIA ON JUNE 15, 1989 IN VOLUME 16 OF CITIES AND TOWNS, PAGE 71.

EXHIBIT B

PROPOSITION 65 WARNING

CALIFORNIA PROPOSITION 65 WARNING. This warning is provided in compliance with the requirements of California's Proposition 65, due to exposure to formaldehyde and other chemicals known to the State to cause cancer and birth defects or other reproductive harm, from exposures to materials used in and around the construction site. _____

“WARNING: MATERIALS INCLUDED IN THE CONSTRUCTION OF THE PREMISES AND PROPERTY WILL EXPOSE YOU TO FORMALDEHYDE AND OTHER CHEMICALS KNOWN TO THE STATE OF CALIFORNIA TO CAUSE CANCER AND BIRTH DEFECTS OR OTHER REPRODUCTIVE HARM. FURTHER INFORMATION MAY BE OBTAINED FROM THE MANAGER/OWNER.”

This warning is provided to inform tenants of the exposure to formaldehyde and other chemicals known to the State to cause cancer and birth defects or other reproductive harm. The exposures are caused by the materials of which the office buildings on this site are constructed. **Environmental exposures to chemicals known to the State of California to cause cancer and birth defects or other reproductive harm will continue for as long as _____ engages in ongoing construction on and around the surrounding property.**

Formaldehyde. The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes and offices. Formaldehyde is present in the air because it is emitted by a variety of building materials and products purchased by the builder from materials suppliers. These materials and products include carpeting, pressed wood products, insulation, plastics, and glues.

Other Chemicals. The Premises and/or ongoing construction sites in this development have not been tested. Given the cost of testing, it is not feasible to test every rental property and nearby construction site to ascertain the level of formaldehyde or other carcinogens and reproductive toxicants present in the rental property or ongoing construction sites nearby. Most homes, offices and construction sites that have been tested elsewhere do contain formaldehyde as well as other carcinogens and reproductive toxicants, although their concentrations vary from property to property with no obvious explanations for the differences. One of the problems is that many of the suppliers of building materials and products do not provide information on chemical ingredients to their builders. In the absence of specific information on these leased premises, and in light of the materials used in and around their construction, we believe that a warning is necessary.

Please provide this warning to invitees and guests entering this leased property. You may have further questions about these issues. _____, has made no inquiries of our material suppliers concerning these matters. _____ is willing to provide, upon request, the names of known material suppliers, which may be contacted for further information.

EXHIBIT C

EXCERPT OF GRANT FUNDING REQUIREMENTS.

California Code of Regulations

Title 4. Business Regulations

Division 10. California Health and Facilities Financing Authority

Chapter 7. Investment in Mental Health Wellness Grant Program for Children and Youth

§ 7315. Eligible Project Costs.

(a) Eligible costs for Capital Funding are:

(1) Purchase of real property.

(2) Construction or renovation, including costs of:

(A) Project planning or Project management.

(B) Appraisals.

(C) Inspections.

(D) Pre-construction costs, including but not limited to permit fees, surveying, architectural, and engineering fees.

(E) Hardscaping and/or landscaping costs essential to the completion of the Project, not to exceed 5% of total Grant award.

(3) Furnishings and/or equipment.

(4) Purchase of vehicles for Mobile Crisis Support Teams and maintenance contracts for the vehicles for up to two years.

(5) Information technology hardware and software, not to exceed 1% of total Grant award except when approved by the Authority and only upon submission of justification that the additional information technology costs are necessary for the Project to achieve the desired goals and outcomes set forth in Section 7319, subdivision (a)(3), and/or Section 7319.1, subdivision (a)(3).

(6) Up to three months of Program startup or expansion costs consisting of training and personnel salaries and benefits.

(b) Eligible costs for Personnel Funding are employee salaries and benefits specific to the staff funded by a Grant for the Mobile Crisis Support Team(s). Salaries and benefits shall be consistent with the compensation policies of the employer.

(c) Grant funds shall be used only for costs directly related to and essential for the completion of the Project.

(d) Eligible costs include only those incurred during the Grant Period.

§ 7323. Use of the Grant.

(a) Grant funds shall only be used for the purposes described in the Grant Agreement.

(b) Grant funds may supplement but not supplant existing financial or resource commitments.

(c) Grantee may request a change in the use of Grant funds or request an extension of the Grant Period by submitting a written request to the Authority that documents the reason(s) the change is needed and demonstrates it is consistent with the Investment in Mental Health Wellness Act of 2013 and this Chapter.

(d) Grantee shall not make changes to the uses of Grant funds until receipt of written approval from the Authority.

(e) Grantee shall not dispose of any capital asset acquired by Grant funds before the end of the useful life of the asset.

§ 7324. Grant Agreement.

- (a) The terms and conditions of a Grant shall be set forth in a Grant Agreement which shall include, at a minimum, all of the following:
- (1) The Grant amount.
 - (2) A description of the Project.
 - (3) Release of Grant Funds procedures in accordance with Section 7325, as applicable.
 - (4) Agreement that the Grantee shall comply with the Investment in Mental Health Wellness Act of 2013 and this Chapter, including, but not limited to, Section 7323.
 - (5) The Grantee shall defend, indemnify and hold harmless the Authority and the State of California, and all officers, trustees, agents and employees of the same, from and against any and all claims, losses, costs, damages or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Grant or Project.
 - (6) The Grantee shall comply with state and federal laws prohibiting discrimination, including those prohibiting discrimination because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status.
 - (7) Grantee shall comply with California's prevailing wage law under Labor Code Section 1720 et seq. for public works projects.
 - (8) Grantee shall cooperate in inspections and audits.
 - (9) Notification that, subject to the availability of funds, the Grant may be rescinded or reduced.
 - (10) Provisions relating to lease agreements, if applicable, pursuant to Section 7326.
 - (11) Resolution of the Authority authorizing the Grant.
 - (12) Resolution of the Grantee's governing board accepting the Grant and delegating authority to an officer to act on its behalf.
 - (13) Provision regarding default and its remedies, including forfeiture and return of the Grant funds to the Authority.
 - (14) Provision requiring Grantee to provide updated information upon request from Authority Staff to determine the Project's readiness and feasibility.
 - (15) Other terms and conditions that may be required by the Authority related to the Grant or Project.

§ 7325. Release of Grant Funds.

- (a) Grant funds shall not be released until the following requirements have been met:
- (1) A Grant Agreement has been executed by the Authority and Grantee.
 - (2) The Grantee has submitted to the Authority the following documentation, if available. If not available, Grantee has submitted a detailed statement concerning the status of obtaining any or all of this documentation to enable Authority Staff to determine readiness, feasibility and sustainability.
 - (A) For construction or renovation:
 - (i) Detail of building plans, costs, and timelines.
 - (ii) Executed construction contract.
 - (iii) Architect, design and engineering contracts, if applicable.
 - (iv) Building permits and conditional use permits, if applicable.
 - (v) Evidence of compliance with the CEQA.
 - (vi) Evidence of compliance with prevailing wage law under Labor Code Section 1720 et. seq.
 - (vii) Evidence of property ownership, such as a grant deed, title report, or lease agreement and title report as required under Section 7326.
 - (viii) In addition to subdivisions (a)(2)(A)(i-vii), prior to the release of Grant funds to a private nonprofit corporation or public agency designated by a county or Counties Applying Jointly for construction or renovation on real property acquired with Grant funds by the designated private nonprofit corporation or public agency, the designated private nonprofit corporation or public agency shall execute a Grant Agreement and agree to comply with Section 7325.1. The Lead Grantee may request the Authority to release the Grant funds to the designated private nonprofit corporation or public agency or to the Lead

Grantee for disbursement to the designated private nonprofit corporation or public agency. The designated private nonprofit corporation or public agency shall return the Grant funds to the Authority if the designated private nonprofit corporation or public agency fails to comply with Section 7325.1.

(B) For real property acquisitions:

(i) An appraisal completed within the previous six months by a state certified appraiser.

(ii) Evidence of or execution plan to obtain legally required zoning for the Program(s).

(iii) In addition to subdivision (a)(2)(B)(i), prior to the release of Grant funds to a private nonprofit corporation or public agency designated by a county or Counties Applying Jointly to acquire real property, the designated private nonprofit corporation or public agency shall execute a Grant Agreement and agree to comply with Section 7325.1. The Lead Grantee may request the Authority to release the Grant funds to the designated private nonprofit corporation or public agency, or to the Lead Grantee for disbursement to the designated private nonprofit corporation or public agency. The designated private nonprofit corporation or public agency shall return the Grant funds to the Authority if the designated private nonprofit corporation or public agency fails to comply with Section 7325.1.

(C) For acquisition of furniture and equipment including vehicles: A list of items to be purchased and a copy of related purchase orders.

(D) For other eligible costs: Contracts and/or purchase orders.

(3) The Authority Staff has determined the Project is Ready, Feasible, and Sustainable. This determination will be made by evaluating the Grantee's documentation addressing the evaluation criteria listed in Section 7319, subdivision (a)(4) and in Section 7319.1, subdivision (a)(4).

(A) The determination that the Project is Ready, Feasible, and Sustainable may occur at the time of Initial Allocation or within the timeframes specified in Section 7319, subdivision (a)(4)(H), and Section 7319.1, subdivision (a)(4)(F).

(B) If the determination is made after Final Allocation, the determination shall be based on updated information provided to the Authority by Grantee in accordance with Section 7324, subdivision (a)(14).

(C) Limited extensions beyond the timeframes specified in Section 7319, subdivision (a)(4)(H), and Section 7319.1, subdivision (a)(4)(F), shall be made on a case-by-case basis at the discretion of the Executive Director for good cause, including but not limited to reasonable delays associated with obtaining building and conditional use permits, obtaining CEQA compliance documentation, or identifying a qualified provider.

(D) Failure to demonstrate readiness, feasibility, and sustainability within the timeframes dictated by the Authority shall cancel the Grant and the Grant funds shall be made available to other Applicants.

(4) The Grantee has submitted to the Authority a completed Request for Disbursement Form No. CHFFA 7 CY-02 (09/2018), which is hereby incorporated by reference. Except for the initial submission of the Request for Disbursement Form No. CHFFA 7 CY-02 (09/2018), an Actual Expenditures Report Form No. CHFFA 7 CY-03, (09/2018), which is hereby incorporated by reference, as required by Section 7328, subdivision (b), shall accompany all Requests for Disbursement Form No. CHFFA 7 CY-02 (09/2018).

§ 7326. Requirements for Construction Projects on Leased Property.

(a) A Grantee may use Grant funds for construction or renovation on property that is leased to the Grantee. The following requirements shall be satisfied prior to release of Grant funds:

(1) The lease agreement shall provide the Grantee, as lessee, full access to the site to carry out the Project.

(2) The term of the lease agreement shall be equal to or greater than the useful life of the Project.

(3) The lease agreement shall provide that any existing or subsequent encumbrance on the property (e.g., deed of trust) or sale of the property shall be subject to the lease agreement.

(4) The lease agreement shall provide that the only remedy for any default by Grantee, including failure to pay rent, is suit for rent or specific performance to remedy specific breach. The landlord's remedies for any default by Grantee may not include cancellation of lease agreement, retaking of property, or eviction of Grantee.

(5) A current title report on the site, brought up to date as of the effective date of the lease agreement shall be provided to the Authority. The title report shall show all of the following:

- (A) No delinquent taxes or assessments or, if there are delinquent taxes or assessments, these are being contested in good faith.
- (B) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.
- (C) A restrictive covenant recorded in the chain of title that the property shall be used only for Crisis Residential Treatment, Crisis Stabilization or Family Respite Care during the useful life of the leasehold improvements funded by the Grant.
- (D) Fee title is subject to the lease agreement and recorded in the chain of title.
- (6) The Grantee's legal counsel or an authorized officer of the Grantee shall sign a letter certifying that the lease agreement conforms to Section 7326, subdivision (a)(1) through (a)(5), and include a statement of the projected useful life of the Project.
 - (A) If the letter is signed by an authorized officer of the Grantee, a statement shall be included that the Grantee's legal counsel has been consulted.
 - (b) If the lease agreement terminates prior to the end of the useful life of the Project and the property that was subject to the lease agreement is not simultaneously released under a new lease agreement that complies with the requirements of this Section or fee title to the property that was subject to the lease agreement is not simultaneously transferred to the Grantee, the Authority is entitled to recover the Grant funds.
 - (c) When a Project on leased property includes improvements to any common areas that are shared with other tenants or areas that are not leased by the Grantee, the Grant funds shall be limited only to the proportionate costs of the Project which exclude the costs related to such areas.

§ 7327. Recovery of Funds for Non-Performance and Unused Grant Funds; Remedies.

- (a) If the Authority determines that Grant funds were not used consistent with the Investment in Mental Health Wellness Act of 2013, this Chapter or the Grant Agreement, the Authority may require remedies, including the forfeiture and return of the Grant funds to the Authority.
- (b) If the Grantee fails to timely begin or complete the Project, the Authority may require remedies including forfeiture and return of the Grant funds to the Authority.
- (c) Unused funds and any unused interest earnings on such Grant funds shall be returned by the Grantee to the Authority no later than the date of the certification of Project completion.
- (d) In the event the county or Counties Applying Jointly do not take and hold title to the real property as provided in Section 7325.1, the Authority may take any action necessary to take and hold title to the real property.

§ 7328. Reporting Requirements.

- (a) The Grantee shall submit a status report within 45 days following the completion of the periods ending on June 30 and December 31 of each year during the Grant Period, and upon the Authority's request.
 - (1) Status reports to the Authority shall include:
 - (A) A description of activities performed for the Project implementation, and activities related to Program development and implementation, and population(s) served, as applicable, since the date of the preceding status report or the Final Allocation.
 - (B) A summary of incurred costs and expenditures related to the Project consistent with cost information submitted in the Application and an explanation of any variances from the Application.
 - (C) A summary of data or preliminary evaluation results, available to date, related to all outcomes described in Section 7319, subdivision (a)(3), or Section 7319.1, subdivision (a)(3), and a description of any challenges in obtaining relevant data.
 - (D) A summary of other funding sources utilized for the Project.
 - (E) A description of remaining work to be completed for the Project and an estimated timeline or schedule for the completion of that work.

(F) A description of whether the Project is within the proposed budget and, if not, the reasons for any differences and the actions that will be taken to ensure that the Project has sufficient funding for completion.

(b) Grantee shall submit a completed Actual Expenditures Report Form No. CHFFA 7 CY-03 (09/2018) accompanied by evidence of payment and documentation acceptable to the Authority sufficient to establish eligibility of costs incurred and expenditure of Grant funds such as executed purchase and sale agreement, proof of title, invoices and cancelled checks, proof of wire transfers, and receipts, as follows:

(1) Within 60 days of Project Completion and upon Authority's request.

(2) As required by Section 7325 (a)(4).

(3) If Grantee received advance disbursement of entire Grant amount, Grantee shall submit a completed Actual Expenditures Report Form No. CHFFA 7 CY-03 (09/2018) within 45 days following the completion of the periods ending June 30 and December 31 of each year during the Grant Period, and upon the Authority's request.

(c) Grantee shall submit a completed Certificate of Completion and Final Report Form No. CHFFA 7 CY-04 (09/2018), which is hereby incorporated by reference, and the following documentation, as applicable, within 60 days of Project completion:

(1) For all Projects:

(A) License and/or certification/approval of Program(s), as applicable.

(B) Summary of sources and uses of funds that show that the Grant and any interest earnings on Grant funds did not exceed the cost of the Project.

(C) Project's outcomes described in Section 7319, subdivision (a)(3), and/or Section 7319.1, subdivision (a)(3), as applicable to the Project(s), key milestones, and accomplishments.

(D) Actual Expenditure Report Form No. CHFFA 7 CY-03 (09/2018) as required by subdivision (b) above, for all costs incurred and expenditures of Grant funds for which evidence of payment has not been submitted to and approved by the Authority.

(2) For Projects that include real property acquisition: Final closing statement with certification by the title company.

(3) For Projects that include building construction or renovation: Certificate of Occupancy.

(4) For Projects that include vehicle acquisition: Executed sales agreement or title.

(d) After submission of the Certificate of Completion and Final Report, Grantees shall submit annual reports to the Authority by September 30 each year through 2022 to report on Project key milestones, accomplishments, and outcomes, including a discussion of the populations being served.

(1) This report shall be certified by an authorized officer of the Grantee.

(2) Authority Staff may request annual reports beyond 2022 to continue tracking accomplishments, outcomes and populations served to ensure Program operations and sustainability.

§ 7329. Records Retention, Inspections and Audits.

(a) Grantees shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted.

(b) The Authority may perform site visits to inspect the Project and may inspect and/or audit Project records during the Grant Period and for three years after the certification of Project completion has been submitted. Instances include, but are not limited to, changes in the Project, challenges in Project implementation, and ensuring Project completion and Program sustainability.

EXHIBIT D

LESSEE'S GRANT AGREEMENT WITH CHFA

**California Health Facilities
Financing Authority**
INVESTMENT IN MENTAL HEALTH
WELLNESS GRANT PROGRAM FOR
CHILDREN AND YOUTH
Grant Agreement Number CY MONT -02
County of Monterey

**TAB 1
Grant Agreement**

**TAB 2
EXHIBIT A
Grant Award Letter**

**TAB 3
EXHIBIT B
Resolution of the Authority**

**TAB 4
EXHIBIT C
Resolution of
Grantee's Governing Board**

**TAB 5
EXHIBIT D
Project Description**

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
FOR CHILDREN AND YOUTH
GRANT AGREEMENT NUMBER CY MONT-02**

COUNTY OF MONTEREY
1270 NATIVIDAD ROAD, SALINAS, CA 93906

THIS AGREEMENT (the "Agreement") is made this 24th day of February 2022, between County of Monterey ("Grantee") and the California Health Facilities Financing Authority ("CHFFA" or the "Authority").

RECITALS:

- A. Grantee has applied to CHFFA for a grant from the Investment in Mental Health Wellness Grant Program for Children and Youth to fund the hereinafter defined Project.
- B. CHFFA has determined that Grantee's Application meets eligibility requirements of the hereinafter defined Regulations.
- C. Subject to the availability of grant monies, CHFFA proposes to grant \$1,851,546.21 (the "Grant") to Grantee and provide at least some of the Grant funds directly to the Designated Grantee, if any, in lieu of the Grantee in consideration of, and on condition that the Grant be used for the purposes of the Project as described in Exhibit D attached hereto and on the terms and conditions contained herein.
- D. The purpose of this Agreement is to set forth the terms and conditions upon which CHFFA will provide the Grant for the Project.

NOW, THEREFORE, CHFFA and Grantee agree as follows:

ARTICLE I – DEFINITIONS

Section 1.1 – ACTUAL EXPENDITURES REPORT FORM means Actual Expenditures Report Form No. CHFFA 7 CY-03 (09/2018).

Section 1.2 – DESIGNATED GRANTEE means the nonprofit corporation or public agency designated by the Grantee to receive Grant funds for real property acquisition and construction or renovation on such real property.

Section 1.3 – GRANT DOCUMENTS means this Agreement, Grant Agreement between CHFFA and Designated Grantee, if any, and the Grantee's Application, including all exhibits to such documents.

Section 1.4 – GRANT PERIOD means the period beginning on February 24, 2022 and ending on June 30, 2024, as such period may be extended upon the prior written approval of CHFFA, which shall become incorporated into this Agreement.

Section 1.5 – LEAD GRANTEE means the county or joint powers authority with a county as a member designated on the Application to have the primary responsibility for the fiscal management of Grant funds, records retention, reporting and all of the other aspect of compliance with this Chapter and the Grant Agreement.

Section 1.6 – PROJECT means the project to be funded with the Grant as more particularly described in Grantee's Application and other Grant Documents, although the scope of the Project may be clarified in a report prepared by Authority Staff. The Authority may broaden the definition of the Project at its discretion to ensure the Project can provide the intended services, so long as the broadening of the definition of the Project does not result in additional Grant funds to complete the project or in the misuse of Grant funds. Any written approval of CHFFA to expand the Project shall become incorporated into this Agreement.

Section 1.7 – REGULATIONS means the Investment in Mental Health Wellness Grant Program for Children and Youth regulations at Sections 7313 through 7329 of Title 4, Division 10 of the California Code of Regulations, as may be amended from time to time.

Section 1.8 – RESOLUTION means Resolution number CY 2022-03 adopted by CHFFA on February 24, 2022 approving a grant for \$1,851,546.21 to the Grantee to complete the eligible project as described in the Investment in Mental Health Wellness Grant Program for Children and Youth application and in Exhibit A to the Resolution and attached hereto as Exhibit D. Any amendment to the Resolution shall become incorporated into this Agreement.

Section 1.9– REQUEST FOR DISBURSEMENT FORM means Request for Disbursement Form No. CHFFA 7 CY-02 (09/2018).

Section 1.10– STATUTE means the Investment in Mental Health Wellness Act of 2013 (Welfare and Institutions Code Sections 5848.5 and 5848.6) as supplemented by Chapter 30, Statutes of 2016 (SB 833), Section 20, the Investment in Mental Health Wellness Grant Program for Children and Youth and implementing regulations (California Code of Regulations, Title 4, Division 10, Chapter 7 (commencing with Section 7313)).

Section 1.11– Any capitalized terms used but not otherwise defined in this Agreement shall have the meaning set forth in the Regulations.

ARTICLE II – REPRESENTATIONS AND WARRANTIES

Grantee makes the following representations and warranties to CHFFA as of the date of execution of this Agreement and throughout the Grant Period:

Section 2.1 – LEGAL STATUS. Grantee is an “eligible applicant” as described in the eligibility requirements of Section 7314 of the Regulations and has full legal right, power and authority to enter into this Agreement and the other Grant Documents to which it is a party and to carry out and consummate all transactions contemplated hereby and by the other Grant Documents as evidenced, in part, by the Resolution of Grantee’s Governing Board attached herein as Exhibit C.

Section 2.2 – VALID AND BINDING OBLIGATION. This Agreement has been duly authorized, executed and delivered by Grantee, and is a valid and binding agreement of Grantee.

Section 2.3 – PROJECT AND ELIGIBLE COSTS. The Project and the eligible costs relating to the Project meet the requirements of the Regulations.

Section 2.4 – PROPERTY OWNERSHIP. Grantee or Designated Grantee, as applicable, will have obtained good and marketable fee title to the real property upon acquisition or prior to construction or renovation as applicable. If the Project includes construction or renovation located on real property to be leased by Grantee or otherwise not owned in fee title by Grantee, the requirements of Section 7326 of the Regulations will be satisfied prior to the initial disbursement of Grant funds for construction or renovation.

Section 2.5 – GRANT DOCUMENTS. Grantee has access to professional advice to the extent necessary to enable Grantee to comply with the terms of the Grant Documents.

ARTICLE III - CONDITIONS PRECEDENT TO EACH DISBURSEMENT

CHFFA’s obligation to make each disbursement of Grant funds during the Grant Period under this Agreement is subject to all of the following conditions:

Section 3.1 – DOCUMENTATION. This Agreement shall be fully executed and delivered by Grantee and CHFFA in form and substance satisfactory to CHFFA.

A Grant Agreement shall be fully executed and delivered by Designated Grantee, if any, and CHFFA in form and substance satisfactory to CHFFA.

Section 3.2 – REPRESENTATIONS AND WARRANTIES. The representations and warranties contained in Article II of this Agreement are true and correct as of the date of such disbursement and as certified by Grantee in the applicable Request for Disbursement Form.

Section 3.3 – DISBURSEMENT REQUEST. Grantee shall have delivered to CHFFA a completed Request for Disbursement Form and any other information required by Sections 7325, 7325.1 and 7328 of the Regulations, satisfactory to the Authority.

Section 3.4 – READINESS, FEASIBILITY, AND SUSTAINABILITY. Grantee has submitted to the Authority sufficient documentation to enable Authority staff to conclude the Project is ready, feasible, and sustainable as more particularly described in Section 7325 (a)(2) and (a)(3) of the Regulations. The Authority Staff shall determine Project readiness, feasibility, and sustainability at the time of Initial Allocation or within twelve (12) months following Final Allocation. Limited extensions beyond twelve (12) months may be granted as set forth in Regulations Section 7325(a)(3)(C). Upon request, Grantee shall provide updated information necessary for the Authority to determine Project readiness, feasibility, and sustainability. Failure to demonstrate readiness, feasibility, and sustainability within the timeframes dictated by the Authority may cancel the Grant. In the event Grantee fails to complete the Project by the end of the Grant Period (inclusive of any extensions permitted by the Authority), the Authority may require remedies, including forfeiture and return of the Grant to CHFFA in accordance with the Regulations as set forth in Article VI below.

ARTICLE IV – GRANT DISBURSEMENT PROCEDURES

Section 4.1 – DISBURSEMENT PROCESS.

(a) **Initial Disbursements:** Initial disbursement of Grant funds shall be released upon the Authority's receipt of a completed Request for Disbursement Form and other information required by Section 7325(a)(2) and 7325.1 of the Regulations, satisfactory to the Authority.

(b) **Subsequent Disbursements:** Subsequent disbursements of Grant funds shall be released upon receipt of a completed Request for Disbursement Form, a status report pursuant to Section 7328(a) of the Regulations, an Actual Expenditures Report Form, and any other information required by Sections 7325, 7325.1 and 7328 of the Regulations, satisfactory to the Authority.

(c) **Reports and Reconciliations:** CHFFA shall notify Grantee in writing within ten (10) business days of any deficiencies or discrepancies in the information, forms and reports submitted by Grantee, including any reconciliations the Authority deems necessary as may occur due to projected expenditures exceeding actual expenditures for any of the reporting periods. The Authority will not disburse any funds until Grantee addresses to the Authority's satisfaction, any deficiencies or discrepancies in the information, forms and reports submitted by Grantee. CHFFA may deduct the difference between actual expenditures and the disbursed amount from the next disbursement or the Grantee shall submit a refund for the difference.

Section 4.2 – AMOUNT OF DISBURSEMENT. The total amount of the Grant shall not exceed the amount authorized under this Agreement and may only be spent for eligible costs. Grant funds are subject to the availability of funds and may be rescinded or reduced. Grantee shall establish an account to deposit the Grant funds and shall maintain this account for purposes of payments of Project expenditures. A segregated sub-account may be used by Grantee provided the statement allows for the accounting of the receipt and expenditure of Grant funds, and the interest earned from these funds, separately from other funds in the account. Upon request, Grantee shall submit copies of all statements for such account or sub-account to CHFFA. At the end of the Grant Period (inclusive of any extensions permitted by CHFFA), any unused Grant funds, interest and investment earnings on such Grant funds revert to and shall be paid to the Authority

Section 4.3 – REAL PROPERTY ACQUISITION BY DESIGNATED NONPROFIT CORPORATION OR PUBLIC AGENCY (DESIGNATED GRANTEE, IF ANY)

(a) Grantee affirmatively supports Grantee's designation of and collaboration with a designated nonprofit corporation or public agency in lieu of Grantee directly receiving Grant funds to acquire real property. Grantee may request the Authority to release Grant funds to the Designated Grantee, or to the Grantee for disbursement to the Designated Grantee. The Authority will not release Grant funds until and unless the following are met:

(1) An appraisal completed within the previous six months by a state certified appraiser.

(2) Evidence of (or execution plan to obtain) legally required zoning for the Program(s).

(3) Designated Grantee shall provide the Program(s) services.

(4) Designated Grantee shall execute a Grant Agreement and agree to comply with the Authority's requirements set forth below and in the Grant Agreement executed by Designated Grantee.

(i) Designated Grantee shall execute a Grant Agreement with the provisions required in Section 7324 of the Regulations. The Grant Agreement shall also provide that in the event Designated Grantee fails to provide any of the services under the Program(s), title to the real property shall be given to Grantee. In addition, the Grant Agreement shall also provide that in the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property.

(ii) Designated Grantee shall provide, upon request, Audited Financial Statements and shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three (3) years after the certification of Project completion has been submitted.

(iii) Designated Grantee shall provide, upon request, a current title report that shows all of the following:

(A) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.

(B) A fee title subject to the lease agreement described below.

(C) A deed of trust recorded in the chain of title against the real property that contains the lease agreement described below.

(iv) Designated Grantee shall enter into a lease agreement with Grantee for use of the real property for Crisis Residential Treatment, Crisis Stabilization, or Family Respite Care for the useful life of the Project, including any renewals. The lease agreement shall provide that in the event Designated Grantee fails to provide Crisis Residential Treatment, Crisis Stabilization, or Family Respite Care as provided in the Grant Agreement, title to the real property shall be given to Grantee. In addition, the lease agreement shall also provide that in the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property.

(b) Grant funds shall be returned to the Authority if Grantee and/or Designated Grantee fails to comply with the Authority's requirements.

(c) In the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property. Grantee will assist in facilitating the transfer of title to the real property, and provide any documents and information requested by the Authority for this purpose.

(d) Grantee acknowledges that as Lead Grantee, Grantee is responsible for the completion of the Project and that Grantee shall ensure that the Designated Grantee complies with the requirements of the Grant (including Regulations and Statute). Failure by Grantee and/or Designated Grantee to comply with the requirements of the Grant (including Regulations and Statute) shall constitute an Event of Default under this Agreement.

Section 4.4 – REAL PROPERTY CONSTRUCTION OR RENOVATION BY DESIGNATED NONPROFIT CORPORATION OR PUBLIC AGENCY (DESIGNATED GRANTEE, IF ANY).

(a) Grantee affirmatively supports Grantee's designation of and collaboration with a designated nonprofit corporation or public agency in lieu of Grantee directly receiving Grant funds for construction or renovation of real property acquired with Grant funds under Section 4.3. Grantee may request the Authority to release Grant funds to the Designated Grantee, or to the Grantee for disbursement to the Designated Grantee. The Authority will not release Grant funds until and unless the following are met:

(1) Grantee or Designated Grantee shall provide:

(i) Detail of building plans, costs, and timelines.

(ii) Executed construction contract.

(iii) Architect, design and engineering contracts, if applicable.

(iv) Building permits and conditional use permits, if applicable.

(v) Evidence of compliance with the California Environmental Quality Act.

(vi) Evidence of compliance with prevailing wage law under Labor Code Section 1720 et seq.

(vii) Evidence of property ownership, such as grant deed, title report, or lease agreement and title report.

(2) Requirements under Section 4.3(a).

(b) Grant funds shall be returned to the Authority if Grantee and/or Designated Grantee fails to comply with the Authority's requirements.

(c) In the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property. Grantee will assist in facilitating the transfer of title to the real property, and provide any documents and information requested by the Authority for this purpose.

(d) Grantee acknowledges that as Lead Grantee, Grantee is responsible for the completion of the Project and that Grantee shall ensure that the Designated Grantee complies with the requirements of the Grant (including Regulations and Statute). Failure by Grantee and/or Designated Grantee to comply with the requirements of the Grant (including Regulations and Statute) shall constitute an Event of Default under this Agreement.

ARTICLE V – AFFIRMATIVE AND NEGATIVE COVENANTS

Section 5.1 – CERTIFICATE OF COMPLETION. Within sixty (60) days following completion of the Project, Grantee shall certify to CHFFA that the Project is complete by submitting a Certificate of Completion and Final Report Form No. CHFFA 7 CY-04 (09/2018), and any other information required by Section 7328 of the Regulations, to the satisfaction of CHFFA.

Section 5.2 – COMPLIANCE WITH STATUTE AND REGULATIONS. Grantee shall comply with the requirements of the Investment in Mental Health Wellness Grant Program for Children and Youth, Welfare and Institutions Code Section 5848.5, the Regulations, and all other applicable laws of the State of California. Grantee agrees that continued compliance with these requirements is Grantee's responsibility.

Section 5.3 – AUDIT AND RECORDKEEPING PROVISIONS. Grantee shall maintain satisfactory financial accounts, documents and other records for the Project and shall retain all documentation necessary to substantiate the purposes for which the Grant funds were spent for a period of three (3) years after the certification of Project completion has been submitted. Grantee agrees that the California State Auditor and Authority staff may conduct periodic audits and inspections to ensure that Grantee is using the Grant consistent with Program requirements and the terms of this Agreement.

Section 5.4 – NOTICE TO CHFFA. Grantee shall promptly give notice in writing to CHFFA of any pending or threatened action related to the Project in which the amount claimed is in excess of twenty-five thousand dollars (\$25,000). Grantee shall promptly give notice in writing to CHFFA of any uninsured or partially uninsured loss related to the Project through fire, theft, liability, or otherwise in excess of an aggregate of twenty-five thousand dollars (\$25,000).

Section. 5.5 – RELEASE. Grantee shall waive all claims and recourse against CHFFA including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Agreement, Grantee's use of the Grant funds, Grantee's operations, or the Project. The provisions of this Section 5.5 shall survive termination of this Agreement.

Section 5.6 – INDEMNIFICATION. Grantee shall defend, indemnify and hold harmless CHFFA and the State, and all officers, trustees, agents and employees of the same, from and against any and all claims, losses, costs, damages, or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Grant, the Project or the Program. The provisions of this Section 5.6 shall survive termination of this Agreement.

Section 5.7 – NON-DISCRIMINATION CLAUSE. Grantee shall comply with state and federal laws prohibiting discrimination, including those prohibiting discrimination because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status.

Section 5.8 – PREVAILING WAGE. Grantee shall comply with California's prevailing wage law under Labor Code Section 1720 et seq. for public works projects.

Section 5.9 – PROJECT COMPLETION. Grantee shall assume any obligation to furnish any additional funds that may be necessary to complete the Project.

Section 5.10 – PAYMENT OF RENT. If any portion of the Project (except for equipment acquisition projects) is located on any real property leased by Grantee, Grantee shall budget for payment of rent each year (unless Grantee pays a nominal yearly rent or has paid full rent under the lease agreement).

Section 5.11 – USE OF FUNDS. Grantee will not, without prior consent of CHFFA, do any of the following: (1) use any Grant funds for purposes other than for the Project unless a change in the use of the Grant is approved in writing by CHFFA; (2) make any changes to the Project as described in the Application or any of the Grant Documents; or (3) dispose of a capital asset before the end of the useful life of the asset.

ARTICLE VI – DEFAULT AND REMEDIES

Section 6.1 – EVENTS OF DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

(1) Any representation or warranty made by Grantee, hereunder or under any other Grant Document, that proves to be incorrect in any material respect;

(2) Grantee's failure to perform any term or condition of this Agreement, the Regulations, or any other Grant Document;

(3) Any construction or renovation portion of the Project is located on real property leased by Grantee and the lease agreement terminates before the end of the useful life of the Project and the real property is not simultaneously re-leased under a new lease agreement that complies with the Regulations, or fee title to the property is not simultaneously transferred to Grantee; or

(4) As provided under Section 4.3 or 4.4.

Section 6.2 – NOTICE OF DEFAULT AND OPPORTUNITY TO CURE. CHFFA shall provide written notice to Grantee of any Event of Default by specifying: (1) the nature of the event or deficiency that gave rise to the Event of Default; (2) the action required to cure the Event of Default, if an action to cure is possible; and (3) a date, which shall not be less than thirty (30) calendar days from the mailing of the notice, by which such action to cure must be taken, if an action to cure is possible, provided, however, so long as Grantee has commenced to cure within such time, then CHFFA may allow the Grantee a reasonable period thereafter within which to fully cure the Event of Default.

Section 6.3 – REMEDIES. If an Event of Default has occurred and is continuing, CHFFA shall have the right to pursue remedies in accordance with Section 7327 of the Regulations and to take any other actions in law or in equity to enforce performance and observance of any obligation, agreement or covenant of Grantee under this Agreement. CHFFA shall also have the right to take and hold title to the real property as provided in Section 4.3 or 4.4.

ARTICLE VII – MISCELLANEOUS

Section 7.1 – ENTIRE AGREEMENT. This Agreement, together with all agreements and documents incorporated by reference herein, constitutes the entire agreement of the parties and may be amended, changed or modified in a writing signed by Grantee and CHFFA.

Section 7.2 – NOTICES. Unless otherwise agreed upon in writing by CHFFA and Grantee, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by first-class mail, postage prepaid and addressed as follows:

(i) If to Grantee:

County of Monterey, Health Department

1270 Natividad Road

Salinas, CA 93906

Attention: Elsa Mendoza Jimenez, Director of Health Services

(ii) If to the Authority:
California Health Facilities
Financing Authority
915 Capitol Mall, Suite 435
Sacramento, California 95814
Attention: Executive Director

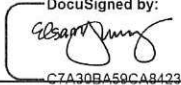
Section 7.3 – COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one (1) instrument.

Section 7.4 – GOVERNING LAW AND VENUE. This Agreement shall be construed in accordance with and governed by the laws of the State of California. This Agreement shall be enforceable in the State of California and any action arising hereunder shall (unless waived in writing by the Authority) be filed and maintained in the County of Sacramento.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first hereinabove written. Grantee certifies that the Authorized Officer below is authorized to execute and deliver this Agreement, and the Authorized Officer or his or her designee is authorized to carry out and consummate all transactions contemplated hereby.

GRANTEE:

COUNTY OF MONTEREY

By:  [Authorized Officer]

Print Name/Title: Elsa Mendoza Jimenez, Director of Health Services

Date: 6/1/2022 | 9:46 AM PDT

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY:

By: 
Deputy Executive Director

Date: 7/21/2022



CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

915 Capitol Mall, Suite 435
Sacramento, CA 95814
p (916) 653-2799
f (916) 654-5362
chffa@treasurer.ca.gov
www.treasurer.ca.gov/chffa

MEMBERS

FIONA MA. CPA, CHAIR
California State Treasurer

BETTY T. YEE
State Controller

KEELY MARTIN BOSLER
Director of Finance

ANTONIO BENJAMIN

FRANCISCO SILVA

ROBERT CHERRY, M.D.

VACANT

KATRINA KALVODA

KERI KROPKE, M.A., M.A., CCC-SLP

EXECUTIVE DIRECTOR
Frank Moore

March 11, 2022

Elsa Mendoza Jimenez, MPH
Director of Health Services
County of Monterey
Health Department
Behavioral Health Bureau
1270 Natividad Road
Salinas, CA 93906

RE: Investment in Mental Health Wellness Grant Program for Children and Youth
Final Allocation – Third Funding Round
County of Monterey
Total Approved Grant Award: \$1,851,546.21

Dear Ms. Mendoza Jimenez:

I am pleased to inform you that the California Health Facilities Financing Authority (Authority) approved a final allocation to the County of Monterey (County) under the Investment in Mental Health Wellness Grant Program for Children and Youth Grant Program (Program) at its February 24, 2022 meeting. The final allocation is set forth in the attachment to this letter.

Please be advised that funding of this grant is conditioned upon the County meeting certain requirements as specified in the Program regulations, including signing a grant agreement and providing requested documentation acceptable to the Authority prior to disbursement of funds. The Authority reserves the right to modify or cancel the commitment of grant funds upon failure to execute a grant agreement or other failure to comply with the Program regulations. The Authority may also modify or cancel the grant award if the Authority becomes aware of any matter which, if known at the time of application review and approval, would have resulted in the rejection of the application or the grant not being approved. The grant is also subject to availability of funds. The Authority is not liable in any manner whatsoever should such funding not be provided for any reason.

The grant period begins on February 24, 2022 and ends on June 30, 2024 unless the grant period is extended by the Authority. The County must be determined “ready, feasible, and

County of Monterey
Health Department
Behavioral Health Bureau
March 11, 2022
Page 2

sustainable” as per the Program regulations (California Code of Regulations, Title 4, Section 7319 (a)(4)) within 12 months after February 24, 2022, which is February 24, 2023. A Request for Disbursement form with accompanying documents as per California Code of Regulations, Title 4, Sections 7325 and 7325.1, as applicable, must be received by the Authority no later than February 29, 2024, or you must submit a reasonable justification for an extension to be considered by the Authority board. Eligible costs are described in the Program regulations (California Code of Regulations, Title 4, Section 7315) and are limited to the project as further detailed in the grant agreement and attachment to this letter.

Eman Hariri will serve as the grant officer to assist you throughout the grant period. The grant officer will be contacting you to discuss the next steps in the grant disbursement process, including the Authority’s request for a resolution from your governing board authorizing the acceptance of the grant and all responsibilities flowing therefrom. If there are material changes to the project, please contact your grant officer immediately. Also, please feel free to contact your grant officer directly with questions or concerns by telephone at (916) 651-3886 or e-mail at Eman.Hariri@treasurer.ca.gov.

In closing, on behalf of the Authority, I want to congratulate you and wish you success with this project. We look forward to working with you to improve and expand mental health crisis services in California.

Sincerely,



Frank Moore
Executive Director

Attachment

County of Monterey
 Health Department
 Behavioral Health Bureau
 March 11, 2022
 Page 3

ATTACHMENT

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Monterey (County) as follows:

Crisis Residential Treatment

The County will develop a new crisis residential treatment program with at least four new beds that will provide mental health services for children and youth ages 18 and under. The County may use the grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's crisis residential treatment program for children and youth.

Crisis Stabilization

The County will develop a new crisis stabilization program with at least four new beds that will provide mental health services for children and youth ages 18 and under. The County may use the grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's crisis stabilization program for children and youth.

Summary of Amounts:

| Program | Approved Grant Amount |
|------------------------------|--------------------------|
| Crisis Residential Treatment | \$ 1,072,023.21 |
| Crisis Stabilization | \$ 779,523.00 |
| Total: | \$ 1,851,546.21 |

RESOLUTION NO. CY 2022-03

**A RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE INVESTMENT IN MENTAL HEALTH WELLNESS
GRANT PROGRAM FOR CHILDREN AND YOUTH
TO THE COUNTY OF MONTEREY**

WHEREAS, The California Health Facilities Financing Authority (the "Authority"), a public instrumentality of the State of California, is authorized by the Investment in Mental Health Wellness Act of 2013 (Welfare and Institutions Code Section 5848.5) as supplemented by Chapter 30, Statutes of 2016 (SB 833), Section 20, the Investment in Mental Health Wellness Grant Program for Children and Youth ("Children and Youth Program") and implementing regulations (California Code of Regulations, Title 4, Division 10, Chapter 7 (commencing with Section 7313)) to award grants for capital funding and personnel funding to finance eligible projects; and

WHEREAS, Authority staff reviewed the application submitted by County of Monterey ("Grantee") against the eligibility requirements of the Children and Youth Program and implementing regulations, and pursuant to the Children and Youth Program and implementing regulations, recommends approval of a grant for the eligible project (the "Project"), which consists of crisis residential treatment capital costs and crisis stabilization capital costs, as described in the Grantee's application and as more particularly described in Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference);

NOW, THEREFORE, BE IT RESOLVED by the California Health Facilities Financing Authority as follows:

Section 1. The Authority hereby approves a grant for capital costs in a total amount not to exceed \$1,851,546.21 to the Grantee to complete the Project within a grant period that ends on June 30, 2024. Within this grant period, Grantee shall provide evidence acceptable to Authority staff demonstrating the Project shall be open and operational on or before September 30, 2023. Funds shall not be disbursed if Grantee is unable to provide evidence acceptable to Authority staff that the Project is on track to be open and operational on or before September 30, 2023. Grantee must submit all capital cost disbursement requests, including required supporting documentation, to the Authority no later than February 29, 2024.

Section 2. The Executive Director, or the Deputy Executive Director, are hereby authorized and directed, for and on behalf of the Authority, to approve any minor, non-material changes in the Project described in the application submitted to the Authority. Nothing in this Resolution shall be construed to require the Authority to provide additional funding, even if more grants are approved, exceeding available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be available for any reason whatsoever.

EXHIBIT A**PROJECT DESCRIPTION**

The proceeds of the grant will be used by the County of Monterey (County) as follows:

Crisis Residential Treatment

The County will develop a new crisis residential treatment program with at least four new beds that will provide mental health services for children and youth ages 18 and under. The County may use the grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's crisis residential treatment program for children and youth.

Crisis Stabilization

The County will develop a new crisis stabilization program with at least four new beds that will provide mental health services for children and youth ages 18 and under. The County may use the grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's crisis stabilization program for children and youth.

Summary of Amounts:

| Program | Approved Grant Amount |
|------------------------------|----------------------------------|
| Crisis Residential Treatment | \$ 1,072,023.21 |
| Crisis Stabilization | \$ 779,523.00 |
| Total: | \$ 1,851,546.21 |



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

Board Order

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Luis A. Alejo to:

Adopt Resolution No.: 22-182

- a. Ratify the submission of a grant application by the Monterey County Health Department to the Investment in Mental Health Wellness Grant Program for Children and Youth (“Children and Youth Program”) of the California Health Facilities Financing Authority (“CHFFA”) in the amount of \$1,851,546.21, for funding to develop a Crisis Stabilization and Crisis Residential Treatment program; and
- b. Authorize the Director of Health or Assistant Director of Health to execute the Grant Agreement Number CY MONT-02, accepting a CHFFA Children and Youth Program award for a total grant amount of \$1,851,546.21 to develop a Crisis Stabilization and Crisis Residential Treatment program for the grant period retroactive to February 24, 2022 through June 30, 2024; and
- c. Approve the delegation of authority to the Director of Health or Assistant Director of Health to act on the County’s behalf to carry out and consummate all transactions contemplated during the grant period.

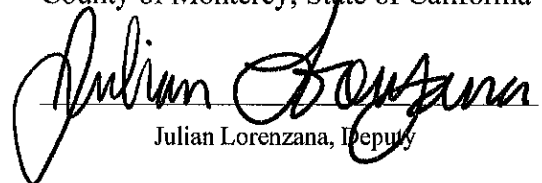
PASSED AND ADOPTED on this 24th day of May 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting May 24, 2022.

Dated: May 27, 2022
File ID: RES 22-101
Agenda Item No.: 34

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California


Julian Lorenzana, Deputy

*Before the Board of Supervisors in and for the
County of Monterey, State of California*

Resolution No.: 22-182

A Resolution to:

- a. Ratify the submission of a grant application by the Monterey County Health Department to the Investment in Mental Health Wellness Grant Program for Children and Youth (“Children and Youth Program”) of the California Health Facilities Financing Authority (“CHFFA”) in the amount of \$1,851,546.21, for funding to develop a Crisis Stabilization and Crisis Residential Treatment program; and)
- b. Authorize the Director of Health or Assistant Director of Health to execute the Grant Agreement Number CY MONT-02, accepting a CHFFA Children and Youth Program award for a total grant amount of \$1,851,546.21 to develop a Crisis Stabilization and Crisis Residential Treatment program for the grant period retroactive to February 24, 2022 through June 30, 2024; and)
- c. Approve the delegation of authority to the Director of Health or Assistant Director of Health to act on the County’s behalf to carry out and consummate all transactions contemplated during the grant period.)

WHEREAS, California Health Facilities Financing Authority (“CHFFA”) is authorized by the Investment in Mental Health Wellness Act of 2013 (Welfare and Institutions code Section 5848.5) as supplemented by Chapter 30, Statutes of 2016 (SB 833), Section 20, the Investment in Mental Health Wellness Grant Program for Children and Youth (“Children and Youth Program”) and implementing regulations (California Code of Regulations, Title 4, Division 10, Chapter 7 (commencing with Section 7313)) to award grants for capital funding and personnel funding to finance eligible projects to address a continuum of crisis services for children and youth; and

WHEREAS, the County of Monterey (“County”) applied for a grant of the CHFFA Children and Youth Program and was awarded a final allocation amount of \$1,851,546.21 on February 24, 2022 to fund the develop of a new crisis residential treatment and crisis stabilization program for the grant period February 24, 2022 through June 30, 2024; and

WHEREAS, County shall be subject to the terms and conditions that are specified in the Children and Youth Program Grant Agreement, and the County shall use the allocation awarded funds in accordance with the Children and Youth Program requirements.

NOW, THEREFORE, BE IT RESOLVED, that the Monterey County Board of Supervisors does hereby determine and declare as follows:

- a) Ratify the submission of a grant application by the Monterey County Health Department to the Investment in Mental Health Wellness Grant Program for Children and Youth (“Children and Youth Program”) of the California Health Facilities Financing Authority (“CHFFA”) in the

- amount of \$1,851,546.21, for funding to develop a Crisis Stabilization and Crisis Residential Treatment program; and
- b) Authorize the Director of Health or Assistant Director of Health to execute the Grant Agreement Number CY MONT-02, accepting a CHFFA Children and Youth Program award for a total grant amount of \$1,851,546.21 to develop a Crisis Stabilization and Crisis Residential Treatment program for the grant period retroactive to February 24, 2022 through June 30, 2024; and
 - c) Approve the delegation of authority to the Director of Health or Assistant Director of Health to act on the County's behalf to carry out and consummate all transactions contemplated during the grant period.

PASSED AND ADOPTED on this 24th day of May 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams

NOES: None

ABSENT: None

(Government Code 54953)

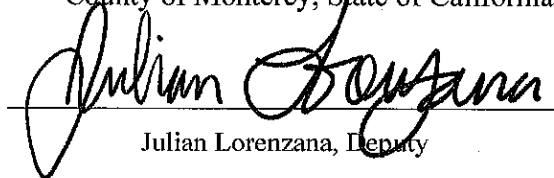
I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting May 24, 2022.

Dated: May 27, 2022

File ID: RES 22-101

Agenda Item No.: 34

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California



Julian Lorenzana, Deputy

Exhibit D**PROJECT DESCRIPTION**

The proceeds of the grant will be used by the County of Monterey (County) as follows:

Crisis Residential Treatment

The County will develop a new crisis residential treatment program with at least four new beds that will provide mental health services for children and youth ages 18 and under. The County may use the grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's crisis residential treatment program for children and youth.

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The County will develop a new crisis stabilization program with at least four new beds that will provide mental health services for children and youth ages 18 and under. The County may use the grant funds, in accordance with Section 7315 of the Children and Youth Program regulations, to finance eligible costs in support of the County's crisis stabilization program for children and youth.

Summary of Amounts:

| Program | Approved Grant Amount |
|------------------------------|----------------------------------|
| Crisis Residential Treatment | \$ 1,072,023.21 |
| Crisis Stabilization | \$ 779,523.00 |
| Total: | \$ 1,851,546.21 |

EXHIBIT E

MEMORANDUM OF LEASE AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of Monterey
Public Works, Facilities and Parks
c/o Real Property Specialist
1441 Schilling Place, South Bldg., 2nd Fl
Salinas, California 93901

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE § 27383

MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement (the "Memorandum") is entered into as of _____, by and between **Seneca Family of Agencies** (the "Lessor"), and the **County of Monterey**, a political subdivision of the State of California (the "Lessee"), with respect to that certain Lease (the "Lease") dated _____, between the Lessor and the Lessee.

Pursuant to the Lease, the Lessor hereby leases to the Lessee and the Lessee hereby leases from the Lessor the real property commonly known as 124 River Road, Salinas, California, also known as APN 139-211-024, more particularly described in Exhibit A attached hereto, which real property is otherwise known as the Property. The Lease is for a term commencing on _____ and ending on _____ (the "Term"), or as may be extended by written approval by both the Lessor and Lessee. The Lease is attached hereto as Exhibit B.

This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend or supplement the Lease, of which this is a memorandum.

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Memorandum by proper persons thereunto duly authorized as of the date first hereinabove written.

LESSOR:

SENECA FAMILY OF AGENCIES,

By: _____

Name: _____

Its: _____

Date: _____

By: _____

Name: _____

Its: _____

Date: _____

SIGNATURES CONTINUED ON NEXT PAGE

LESSEE:

COUNTY OF MONTEREY,
a subdivision of the State of California

By: _____

Name: _____

Its: _____

Date: _____

APPROVED AS TO FORM:

COUNTY COUNSEL

By: _____

Name: _____

Its: _____

Date: _____

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, _____, 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.

Name: _____
Notary Public

[SEAL]

EXHIBIT A

TO MEMORANDUM OF LEASE AGREEMENT

Legal Description of Property

The land is situated in the County of Monterey, State of California, and is described as follows:

For APN/Parcel ID(s): 139-211-024

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF MONTEREY, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL N, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "AMENDED MAP OF LAS PALMAS RANCH COREY HOUSE AREA/UNIT 2, TRACT NO. 1087 A" WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF MONTEREY COUNTY, CALIFORNIA ON JUNE 15, 1989 IN VOLUME 16 OF CITIES AND TOWNS, PAGE 71.

EXHIBIT F

MEMORANDUM OF LEASE AGREEMENT TERMINATION

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of Monterey
Public Works, Facilities and Parks
c/o Real Property Specialist
1441 Schilling Place, South Bldg., 2nd Fl
Salinas, California 93901

NO FEE FOR RECORDING PURSUANT
TO GOVERNMENT CODE § 27383

RECITALS

WHEREAS, on _____, the Seneca Family of Agencies (“Lessor”) and the County of Monterey (“Lessee”) entered into a certain Lease Agreement (“Lease”) for the use of certain real property owned by Lessor and commonly known as 124 River Road, Salinas, California, also known as APN 139-211-024 (the “Property”) more particularly described in Exhibit A, attached hereto and incorporated by this reference, to secure state grant funding for the development of a mental health clinic; and

WHEREAS, on _____, a MEMORANDUM OF LEASE was recorded as DOCUMENT NO. _____ with the Monterey County Recorder; and

WHEREAS, Article 21 – Recordation, of the Lease establishes a provision to record a Memorandum of Lease Agreement Termination which shall coincide with the Stated Expiration Date of the Lease; and

WHEREAS, at this time, the Lessor now wishes to disclose said termination of the Lease and record this Memorandum of Lease Agreement Termination.

MEMORANDUM OF LEASE AGREEMENT TERMINATION

This Memorandum of Lease Agreement Termination discloses the fact that the original Lease between Lessor and Lessee was terminated on _____.

Pursuant to Article 21 of said Lease, the Lessor hereby executes and records the termination of its Lease to the Lessee as it may relate to the Property described in Exhibit A attached hereto, within the Monterey County, California. The Lease was terminated on _____. This Memorandum of Lease Agreement Termination is solely for recording purposes.

IN WITNESS WHEREOF, this Memorandum of Lease Agreement Termination confirms that the Lessor and the Lessee have terminated this Lease and have caused the Memorandum of Lease Agreement Termination to be recorded and thereby have rescinded and removed from Title the original "Memorandum of Lease" recorded on _____, Document No. _____ with the Monterey County Recorder.

LESSOR:

SENECA FAMILY OF AGENCIES

By: _____

Name: _____

Its: _____

Date: _____

By: _____

Name: _____

Its: _____

Date: _____

SIGNATURES CONTINUED ON NEXT PAGE

LESSEE:

COUNTY OF MONTEREY,
a subdivision of the State of California

By: _____

Name: _____

Its: _____

Date: _____

APPROVED AS TO FORM:

COUNTY COUNSEL

By: _____

Name: _____

Its: _____

Date: _____

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 MONTEREY

On _____, before me, _____,
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.

Notary Public

[SEAL]

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 MONTEREY

On _____, before me, _____,
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.

Notary Public

[SEAL]

EXHIBIT A

TO MEMORANDUM OF LEASE AGREEMENT TERMINATION

LEGAL DESCRIPTION OF PROPERTY

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