

Adventist Health Clear Lake
SUBCONTRACTOR AGREEMENT
California Emergency Solutions and Housing
California Department of Housing & Community Development

Agreement Number
AHCL: 18-CESH-12464-03

This Agreement is entered into between Adventist Health Clear Lake (AHCL) and the
Subcontractor named below:

County of Lake, Lake County Behavioral Health Services

The term of this agreement is: October 11, 2019 through March 31, 2023

The maximum amount of this Agreement is: \$ 414,012

The parties agree to comply with the terms and conditions of the following exhibits, which are
by this reference made as part of the Agreement:

Exhibit A:	Authority, Purpose and Scope of Work	Pages 2-5
Exhibit B:	Budget Detail and Payment Provisions	Pages 6-7
Exhibit C:	Terms and Conditions	Pages 8-13
Exhibit D:	Special Terms and Conditions	Page 14

TOTAL NUMBER OF PAGES ATTACHED: 14 pages

Subcontractor's Name:

County of Lake, Lake County Behavioral Health Services

By Todd Metcalf, Administrator (Authorized Signatory)

Date Signed

P.O. Box 1024 Lucerne, CA 95458

Address

ADVENTIST HEALTH CLEAR LAKE


By David Santos, Chief Executive Officer

5-7-2020
Date Signed

P.O. Box 6710 Clearlake, CA 95422

Address

SUBCONTRACTOR AGREEMENT
EXHIBIT A
Authority, Purpose and Scope of Work
California Emergency Solutions and Housing Program (CESH)

1. Authority

Subcontractor Initials _____

Pursuant to Part 2 of Division 31 Chapter 2.8 of the Health and Safety code (commencing with Section 50490) enacted in 2018, as amended and in effect from time to time (the "CESH Statutes"), the State has established the California Emergency Solutions and Housing Program (the "Program"). This Standard Agreement along with all its exhibits (the "Agreement") is entered under the authority of, and in furtherance of the purpose of, the Program. Pursuant to Health and Safety Code, Section 50490. 1(b), the California Department of Housing and Community Development (referred to herein as "HCD" or "Department") has issued that certain Notice of Funding Availability, dated August 15, 2018, as amended from time to time (the "NOFA") to govern administration of the fund and carry out the Program.

2. Purpose

In accordance with the authority cited above, an application was made to the State (the "application") for assistance from the Program for the purpose of funding eligible activities relating to homelessness within a specified Continuum of Care ("CoC") service area, as defined in Health and Safety code Section 50490. Adventist Health Clear Lake ("AHCL") is the recognized Administrative Entity as provided for by CESH and defined in the August 15, 2018 2018 CESH NOFA. Subcontractor Agreement along with all its exhibits ("Agreement") is entered into by AHCL and the Subcontractor under the authority of, and in furtherance of the purpose of, the Program. In signing this Agreement and thereby accepting this award of funds, the Subcontractor agrees to comply with the terms and conditions of the Agreement, the Notice of Funding Availability ("NOFA") under which the Subcontractor applied, the representations contained in the Subcontractors application, and the requirements of the authority cited above. Terms and conditions of this agreement are subject to termination or to change at the request of the Council. AHCL shall notify Subcontractor in a timely manner should any changes be required, including but not limited to status changes, termination, monitoring, reporting, budget modification, services rendered, and auditing.

3. Definitions

Capitalized terms not otherwise defined herein shall have the meaning of the definitions set forth in the Health and Safety code Section 50490.

4. Scope of Work

The scope of work ("Work") for this Agreement shall consist of one or more of the following eligible uses:

**SUBCONTRACTOR AGREEMENT
EXHIBIT A**

- A. Rental assistance, housing relocation and stabilization services to ensure housing affordability to individuals experiencing homelessness or who are at risk of homelessness.
- B. Operating subsidies in the form of 15-year capitalized operating reserves for new and existing affordable permanent housing units for homeless individuals and/or families.
- C. Flexible housing subsidy funds for local programs that establish or support the provision of rental subsidies in permanent housing to assist homeless individuals and families. Funds used for the purposes of this paragraph may support rental assistance, bridge subsidies to property owners waiting for approval from another permanent rental subsidy source, vacancy payments, or project-based rent or operating reserves.
- D. Operating support for emergency housing interventions, including, but not limited to, the following:
 - 1) Navigation centers that provide temporary room and board and case managers who work to connect homeless individuals and families to income, public benefits, health services, permanent housing, or other shelter.
 - 2) Street outreach services to connect unsheltered homeless individuals and families to temporary or permanent housing.
 - 3) Shelter diversion, including, but not limited to, homelessness prevention activities such those described in 24 CFR 576.103, and other necessary service integration activities such as those described in 25 CFR 576.105, to connect individuals and families to alternate housing arrangements, services, and financial assistance.
- E. Systems support for activities necessary to maintain a comprehensive homeless services and housing delivery system, including Coordinated Entry System (CES) data, and Homeless Management Information System (HMIS) reporting, and homelessness planning activities.
- F. Development or updating of a CES, if the CoC does not have a system in place that meets the requirements of 24 CFR 576.400(d) or 24 CFR 578.7(a)(8), as applicable, and related HUD requirements, as set forth in Section II.E.3.A of the NOFA.
- G. Development of a plan addressing actions to be taken within the CoC service area if no such plan exists.

**SUBCONTRACTOR AGREEMENT
EXHIBIT A**

5. Agency Contract Coordinator

The AHCL Contract Coordinator for this Agreement is Rachelle Damiata, Manager of Grants and Community Development.

Name: Rachelle Damiata
Title: Manager, Grants & Community Development
Phone: 707-995-5677
Email: damiatrd@ah.org

Unless otherwise instructed, any notice, report or other communication requiring Subcontractor signature for this Agreement shall be mailed by first class mail to the AHCL Community Integration Department at the following address:

Adventist Health Clear Lake
ATTN: Community Integration Department, CESH Grant
P.O. Box 6710
Clearlake, CA 95422

6. Subcontractor's Contract Coordinator

The Subcontractor's Contract Coordinator ("Authorized Representative") for this Agreement is listed below. Unless otherwise informed, any notice, report or other communication required by this Agreement will be mailed by first class mail to the Subcontractor's Contract Coordinator at the following address:

Subcontractor's Authorized Representative Name:	Scott Abbott
Address:	PO Box 1024, Lucerne, CA 95458
Phone:	707-274-9101
Email:	Scott.abbott@lakecounty.ca.gov

**SUBCONTRACTOR AGREEMENT
EXHIBIT A**

7. Effective Date, Term of Agreement, and Deadlines

- A. This Agreement is effective upon approval by both AHCL and Subcontractor as listed on page one, lower left section, Subcontractor Agreement, and signed by all parties (such date, the "Effective Date").
- B. This Agreement shall terminate on March 31, 2023.
- C. Grant expenses must be incurred from the Effective Date of January 1, 2020 until the date which is 90 days prior to the Expiration Date of March 31, 2023. This "Expenditure Deadline" is December 31, 2022.
- D. Any expenses incurred prior to the Effective Date or after the Expenditure Deadline will not be eligible for payment from any Grant funds. Any Grant funds which have not been expended by the Expenditure Deadline (December 31, 2022) shall be disencumbered and revert to AHCL.

8. Special Conditions

The Subcontractor shall ensure that all subcontractors are made aware of and agree to comply with all the conditions of this Agreement and the applicable State requirements governing the use of CESH funds. Failure to comply with these conditions may result in termination of this Agreement.

- A. The Agreement between the Subcontractor and any subcontractor(s) shall require the Subcontractor and its subcontractors, if any, to:
 - 1. Perform the work in accordance with Federal, State and Local housing and building codes, as applicable.
 - 2. Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.
 - 3. Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by the Subcontractor or any subcontractor(s) in performing the Work or any part of it.
 - 4. Agree to include all the terms of this Agreement in each subcontract.

AHCL reserves the right to add any special conditions to this Agreement it deems necessary to ensure the goals of the Program are achieved.

SUBCONTRACTOR AGREEMENT

EXHIBIT B

Budget Detail and Payment Provisions

California Emergency Solutions and Housing Program (CESH)

1. Budget Detail

Subcontractor Initials _____

The Subcontractor agrees that CESH funds shall be expended on one-time uses that address immediate homelessness challenges. Consistent with the application submitted by the AHCL in December 2018, AHCL shall award funds in the form of a grant for the following eligible activities:

A. HMIS Coordination, Planning, Services	\$ 202,950
B. Development of the CES	\$ 202,950
C. Point-In-Time Outreach	\$ 8,112

TOTAL CESH AWARD AMOUNT:	\$ 414,012
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**SUBCONTRACTOR AGREEMENT
EXHIBIT B**

2. Conditions of Disbursement

Prior to receiving any grant funds, the Subcontractor shall submit the following to AHCL:

- A. Copy of the Subcontractor's IRS Tax Determination Letter
- B. Completed Form W-9
- C. Signed copy of the CESH subcontractor agreement

3. Fiscal Administration

- A. The Subcontractor shall receive 40 percent of the total awarded Grant funds at one time. After initial disbursement, Subcontractor must demonstrate prior to each subsequent disbursement request, using the forms provided by AHCL, that at least 80 percent of Grant funds previously disbursed have been expended pursuant to the terms of this Agreement.
- B. All interest earned from the deposit of Grant funds shall be used for eligible Program activities and accounted for in Subcontractor's annual expenditure report.
- C. The Subcontractor may request that Grant funds awarded for a certain eligible activity be moved to another awarded activity without an amendment to this Agreement. This request must be made in writing to AHCL and shall be effective only upon written AHCL approval. AHCL's decision to approve or deny any such request shall be final, absent fraud, mistake or arbitrariness.
- D. Any Grant funds which have not been expended by the Expenditure Deadline (December 31, 2022) must be returned to AHCL with accrued interest. Checks shall be made payable to:

Adventist Health Clear Lake
Community Integration Department, CESH Grant
P.O. Box 6710
Clearlake, CA 95422

SUBCONTRACTOR AGREEMENT
EXHIBIT C
Terms and Conditions
California Emergency Solutions and Housing Program (CESH)

1. Strict Compliance

Subcontractor Initials _____

Subcontractor will strictly comply with the terms, conditions and requirements of the CESH Statutes, the NOFA and this Agreement.

2. Subcontractor's Application for Funds

- A. Subcontractor has submitted to AHCL for a Grant under the Program. AHCL is entering into this Agreement based on, and in substantial reliance upon, Subcontractor's facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by the Department. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. Subcontractor warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of the Subcontractor's knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect AHCL or the Department's approval, disbursement, or monitoring of the funding and the Grants or activities governed by this Agreement, then AHCL or the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

3. Eligible Activities

Grant funds awarded to the Subcontractor and expended by the Subcontractor shall be used for the eligible activities set forth in Exhibit A as required by the CESH Statutes. The following additional limitations or requirements shall apply:

- A. A Subcontractor shall not use more than 40 percent of any funds allocated in a fiscal year for operating support for emergency housing interventions as described in Health and Safety Code Section 50490.4(f).
- B. If the CoC does not have a functioning CES and HMIS that meet the requirements of 24 CFR 576.400(d) or 24 CFR 578.7(a)(8), as applicable, and related HUD requirements, as set forth in Section II.E.3.A of the NOFA, a minimum of 20 percent of the allocation to the CoC service area will be used to implement or update its systems to comply with such requirements. Eligible CES costs do not include capital development activities, including, but not limited to, real property acquisition, construction, or rehabilitation activities.

4. Core Practices

- A. Subcontractor must provide eligible activities in a manner consistent with the housing first practices described in California Code of Regulations, title 25, section 8409 (b)(1)-(6). A Subcontractor allocated funds for eligible activities that provide permanent housing shall incorporate the core components of Housing First as provided in Section 8255(b) of the Welfare and Institutions Code.
- B. Except in case of a program or project specifically targeting homelessness prevention activities as part of shelter diversion activities, as described in Section II.B.4.C of the NOFA, a Contractor that is allocated CESH Program funds shall prioritize assistance to homeless individuals and families over assistance to individuals and families at risk of homelessness.

5. Monitoring Grant Activities

- A. Subcontractor shall monitor the activities selected and awarded to them to ensure compliance with CESH requirements. An onsite monitoring visit of Subrecipients and any other service provider shall occur whenever determined necessary by AHCL, but at least once during the Grant period.
- B. The Department will monitor the performance of AHCL based on a risk assessment and according to the terms of this Agreement. The Department may also monitor any Subrecipients of AHCL as the Department deems appropriate based on a risk assessment.
- C. The Department will monitor the performance of AHCL and funded projects based on the performance measures tracked by HMIS data for the CoC service area. The Department will work collaboratively with AHCL and the CoC to develop performance improvement plans if project-level or system-wide performance is determined to be substandard by the Department in its reasonable discretion.
- D. As requested by the Department, AHCL shall submit to the Department all CESH monitoring documentation necessary to ensure that AHCL and its Subrecipients are in continued compliance with CESH requirements. Such documentation requirements and the submission deadline shall be provided by the Department at the time such information is requested by AHCL.

6. Reporting/Audits

- A. Commencing with the Effective Date of this Agreement and continuing through the Expiration Date, AHCL shall submit an annual report to the Department by July 31 of each year that reports all activities from the previous fiscal year (7/1-6/30), on forms provided by the Department. As such, Subcontractor shall submit an annual report to

AHCL by July 10 of each year that reports all activities from the previous fiscal year (7/1-6/30).

B. The annual expenditure report shall contain a detailed report which must include, at a minimum:

- 1) Subcontract expenditures
- 2) The expenditures and activities for each year of the term of the contract with AHCL until all funds awarded have been expended; and
- 3) Progress on the following performance measures and others established by the Subcontractor and described in the Application to evaluate success in implementing eligible activities:
 - i. The number of homeless persons served;
 - ii. The number of unsheltered homeless persons served, and the average length of time spent as homeless before entry into the program or project;
 - iii. The number of homeless persons exiting the program or project to permanent housing; and,
 - iv. The number of persons that return to homelessness after exiting the program or project.

C. Subcontractor is responsible for the completion of its reporting.

D. AHCL is responsible for the completion of audits and all costs of preparing audits.

7. Effective Date, Commencement of Work and Completion Dates

- A. This Agreement is effective upon approval by AHCL, which is indicated by the signature provided by AHCL in the lower left-hand corner of page one. Subcontractor Agreement commences when signed by all parties. Subcontractor agrees that the work shall be completed by the expenditure date of December 31, 2022.
- B. One hundred percent of CESH funds shall be expended by December 31, 2022. Any funds not expended by December 31, 2022 shall be returned to AHCL and will then be returned to BCSH and revert to the General Fund. "Expended" means all CESH funds obligated under contract or subcontract have been fully paid and receipted, and no invoices remain outstanding.
- C. Subcontractor agrees that the work shall be completed by December 31, 2022, and that the Scope of Work will be provided for the full term of this Agreement.

- D. The Department and/or AHCL reserve the right to perform or cause to be performed a financial audit. At the Department or AHCL's request, Subcontractor shall provide, at its own expense, a financial audit prepared by a certified public accountant.
- E. If a financial audit is required by the Department, the audit shall be performed by an independent certified public accountant. Selection of an independent audit firm shall be consistent with procurement standards contained in 24 CFR 85.36.
 - 1) The Subcontractor shall notify AHCL of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by AHCL and the Department to the independent auditor's working papers.
 - 2) The Subcontractor is responsible for the completion of audits and all costs of preparing audits.
 - 3) If there are audit findings, the Subcontractor must submit a detailed response acceptable to AHCL and the Department for each audit finding within 90 days from the date of the audit finding report.

8. Retention and Inspection of Records

- A. The Subcontractor is responsible for maintaining records which fully disclose the activities funded by the Grant. Adequate documentation of each transaction shall be maintained to permit the determination, through an audit if requested, of the accuracy of the records and the allowability of expenditures charged to Grant funds.
- B. The Subcontractor agrees that AHCL and the Department or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The Subcontractor agrees to provide AHCL and the Department or its designee, with any relevant information requested. The Subcontractor agrees to permit AHCL and the Department or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with the CESH Statutes, the NOFA, and this Agreement.
- C. The Subcontractor further agrees to retain all records for a period of five (5) years after the end of the term of this Agreement:
 - 1) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.

- 2) The Subcontractor also agrees to include in any contract that it enters into an amount exceeding \$10,000, AHCL and the Department's right to audit all subcontractor records and interview their employees. The Subcontractor shall comply with the caveats and be aware of the penalties for violation of fraud and for obstruction of investigation as set forth in California Public Code Section 10115.10.

- D. The determination by AHCL or the Department of the eligibility of any expenditure shall be final. If the eligibility of any expenditure cannot be determined because records or documentation are inadequate, the expenditure may be disallowed, and HCD shall determine the reimbursement method for the amount disallowed.
- E. The Subcontractor shall retain all books and records relevant to the Agreement for a minimum of five (5) years after the end of the term of this Agreement. Records relating to any and all audits or litigation relevant to this Agreement shall be retained for five years after conclusion or resolution of the matter.

9. Breach and Remedies

- A. The following shall each constitute a breach of this Agreement:

- 1) Subcontractor's failure to comply with the terms of this Agreement.
- 2) Use of, or permitting the use of, Grant funds provided under this Agreement for any ineligible costs or for activities not approved under this Agreement.
- 3) Use of, or permitting the use of, Grant funds provided under this Agreement for any ineligible costs or for activities not approved under this Agreement.
- 4) Any failure to comply with the deadlines set forth in this Agreement.

- B. In addition to any other remedies that may be available to AHCL and the Department in law or equity for breach of this Agreement, the Department may:

- 1) Bar the Subcontractor from applying for future CESH funds;
- 2) Revoke any other existing CESH award(s) to the Subcontractor;
- 3) Require the return of any unexpended CESH funds disbursed under this Agreement;
- 4) Require repayment of CESH funds disbursed and expended under this Agreement;
- 5) Require the immediate return to AHCL or the Department of all funds derived from the use of CESH funds including, but not limited to recaptured funds and returned funds;

- 6) Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with the CESH Program requirements, and;
- 7) Seek such other remedies as may be available under the relevant agreement or any law.

C. All remedies available to AHCL or the Department are cumulative and not exclusive.

D. AHCL or the Department may give written notice to the Subcontractor to cure the breach or violation within a period of not less than 15 days.

10. Waivers

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of AHCL or the Department to enforce at any time the provisions of this Agreement, or to require at any time, performance by the Contractor of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of AHCL or the Department to enforce this provisions.

11. Relocation

Contractor shall comply with all requirements of application California relocation law (Gov. Code, 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regulations, Title 25, 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by AHCL and the State.

12. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

The Subcontractor agrees to comply with all State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Grant, the Subcontractor, and any other Grant activity.

13. Litigation

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Subcontractor shall notify AHCL immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement, AHCL, or the Department and

shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interest of AHCL and the Department.

14. Sufficiency of Funds and Termination

- A. AHCL may terminate this Agreement at any time for cause by giving a minimum of 14 days' notice of termination, in writing, to the Subcontractor. Cause shall consist of: violations of any terms or conditions of this Agreement, or any breach of contract as described in Paragraph 7; violation of any Federal or State Laws or Regulations; or withdrawal of AHCL's expenditure authority. Upon termination of this Agreement, unless otherwise approved in writing by AHCL, any unexpended funds received by the Subcontractor shall be returned to AHCL within thirty days of the Notice of Termination.
- B. This Agreement is valid and enforceable only if sufficient funds are made available to AHCL by BCSH and legislative appropriation. In addition, this Agreement is subject to any additional restrictions, limitations or conditions, or statutes, regulations or any other laws, whether federal or those of the State of California, or of any agency, department, or any political subdivision of the federal or State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.

SUBCONTRACTOR AGREEMENT EXHIBIT D

Special Terms and Conditions **California Emergency Solutions and Housing Program (CESH)**

Subcontractor Initials _____

1. All proceeds from any interest-bearing account established by the Subcontractor for the deposit of CESH funds, along with any interest-bearing accounts opened by subcontractors to Subcontractor for the deposit of CESH funds, must be used for CESH-eligible activities. Consistent with Health and Safety Code Section 50214 (b), no more than five (5) percent of these proceeds may be used for general administrative purposes.
2. Any housing-related activities funded with CESH funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).
3. The Subcontractor agrees to provide AHCL access to Homeless Management Information System ("HMIS") data collected and entered into the Subcontractor's HMIS, upon request, and to participate in any statewide initiative as directed by AHCL including but not limited to, a statewide data integration environment.