

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE COUNTY OF NEVADA HEALTH AND HUMAN  
SERVICES AGENCY, FOOTHILL HOUSE OF HOSPITALITY D/B/A  
HOSPITALITY HOUSE, THE REGIONAL HOUSING AUTHORITY, AND  
PACIFIC WEST COMMUNITIES, INC FOR THE DEVELOPMENT AND  
OPERATION OF THE BRUNSWICK COMMONS SUPPORTIVE  
HOUSING PROJECT**

This Memorandum of Understanding (hereafter "MOU") is effective as of May 28, 2019, by and between Nevada County Health and Human Services Agency (hereafter "HHS"), Foothill House of Hospitality (hereafter "Hospitality House"), Regional Housing Authority (hereafter "Housing Authority") and Pacific West Communities, Inc. (hereafter "PWC") for development and operation of the Brunswick Commons Supportive Housing Project (hereafter "Project").

**RECITALS**

WHEREAS, HHS, Hospitality House, Housing Authority, and PWC (collectively "the Parties") desire to coordinate their resources and actions toward the common goal of supporting homeless persons and persons with psychiatric disabilities who are homeless, or at risk of homelessness, and their families to achieve permanent supportive housing and self-sufficiency by promoting the integration of affordable housing and appropriate supportive services including mental health support systems; and

WHEREAS, HHS, through its Behavioral Health Department, administers funding for services for the No Place Like Home (NPLH) target population both as a direct provider and by contracting and providing funding to a variety of local social service nonprofit programs; and

WHEREAS, Hospitality House is a contracted agency responsible for providing housing and supportive services to homeless persons or persons who are at risk of homelessness and their families; and

WHEREAS, Housing Authority (Developer) is a contracted agency responsible for developing and maintaining housing for low income of residents of Nevada County; and

WHEREAS, PWC (Developer) is a contracted agency responsible for preparing and applying for Federal tax credits from the California Tax Credit Allocation Committee (TCAC); and

WHEREAS, the Housing Authority and PWC will operate and manage ("Project Manager/Operator") the Brunswick Commons Supportive Housing Project; and

WHEREAS, HHS is responsible for administration, fiscal reporting and data/evaluation reporting of NPLH program funds and administering supportive services to the NPLH target population; and

WHEREAS, Housing Authority and PWC have the experience and the expertise to perform all pre-development and due diligence activities necessary for project development and coordination of funding for the Brunswick Commons Supportive Housing Project located at 936 Old Tunnel

Road, Grass Valley, California.

NOW, THEREFORE, the Parties hereto mutually agree as follows:

### **1. PURPOSE**

The purpose of this MOU is to outline the understandings of each Party in furtherance of their intent to coordinate resources and efforts to provide supportive services to the Project which will house persons who are homeless and/or persons with psychiatric disabilities who are homeless, or at risk of homelessness, and their families. Supportive services provided will be in accordance with the Supportive Services Plan which is attached hereto, and incorporated herein, as Exhibit A.

### **2. TERM**

The term of this MOU shall commence upon full ratification of the Parties and shall continue through the 20-year services requirement under NPLH guidelines, unless terminated sooner according to the Termination Clause herein, or the term is extended beyond the 20-year term, in whole or in part, by mutual agreement of the Parties, to ensure that this MOU is consistent with providing required services at the Project.

### **3. GUIDING PRINCIPALS**

The Parties share the following common principles that will guide the development and operation of the Project:

- A. All Parties shall endeavor to work together, establish a foundation of trust and partnership, and provide seamless and high-quality services to tenants and individuals engaged in the services at the Project.
- B. Each tenant in an NPLH-funded unit shall have a "single fixed point of responsibility" which is HHSA or a county community-based provider that is primarily responsible for coordination of services and/or case management for that tenant's supportive services.
- C. All mental health services shall be client-driven and coordinated with the needs and wishes of the tenant.
- D. Onsite supportive services provided shall be designed to complement mental health services and will be made available to tenants on a voluntary basis.
- E. All projects should protect privacy in the delivery of supportive services.
- F. The supportive services outlined in this MOU shall facilitate linkages to community-based services.

### **4. RESPONSIBILITIES OF HHSA**

The Parties understand and acknowledge that the services provided by HHSA throughout the term of this MOU are contingent upon annual appropriation of adequate HHSA funding through the County of Nevada, and the federal and state governments.

HHSA shall Provide supportive services to twelve (12) units occupied by persons or families meeting the NPLH target population definition as outlined in the Supportive Services Plan

including:

- A. Onsite case management, linkage, basic housing retention skills, mental health care, substance use treatment services through the Behavioral Health Department either directly or through contracted providers. Supportive services will be provided to the residents free of charge.
- B. Provide the following quantity of services equivalent to at least 2.0 FTE per year:
  - a. Case Management
  - b. Health or behavioral health services
  - c. Medical clerk
  - d. Minimum 84 hours per year of on-site health and wellness classes and coordination and referral to adult education and skill building classes provided by community service providers
- C. Provide the following initial estimated annual budget for supportive services:

<b>Supportive Service Category</b>	<b>Total Estimated Cost</b>
Case Management	\$ 211,524
Peer Support Activities	\$ 6,528
Mental Healthcare	\$ 49,056
Substance Use Services	\$ 46,764
Support in Linking to Physical Health	\$ 6,480
Benefits Counseling and Advocacy	\$ 16,404
<b>Total</b>	<b>\$ 336,756</b>

- D. Provide onsite Department of Social Service (DSS) eligibility staff on a weekly basis to assist in application for CalFRESH and MediCAL.
- E. Continue to fund the Coordinated Entry System for the purpose of ranked prioritization for housing and other supportive services.
- F. Provide County staff time to coordinate supportive services meetings onsite and to facilitate overall service provisions in manner that is efficient and consistent with HIPAA and WIC confidentiality requirements, standards, and practices.

## **5. RESPONSIBILITIES OF HOSPITALITY HOUSE**

During the term of this MOU, Hospitality House shall:

- A. Provide supportive services to twenty-eight (28) units occupied by homeless persons and/or families as outlined in the Supportive Services Plan. All supportive services will be provided free of charge to residents of the Project.
- B. Provide the following estimated initial annual budget for supportive services:

<u>Supportive Service Category</u>	<b>Total Estimated Cost</b>
<u>Case Management</u>	\$ 52,000
<u>Adult Education Class Delivery</u>	
Class Content Creation/Rework	\$ 200
Class Delivery	\$ 1,680
Benefits	\$ 470
Classroom Supplies	\$ 840
Total Class Delivery Expense	\$ 3,190
<b>Total</b>	<b>\$ 55,190</b>

C. Ensure effective delivery of social programs to the residents at the Project. These social programs shall be designed to strengthen families and individuals with a focus on life skills training, education and supportive services that meet the needs of the residents of the Project.

D. Refer and coordinate residents to adult education, health and wellness classes, and/or skill building workshops. Case management will also be provided to those residents requesting services. These service programs will be designed to meet the specific needs of the residents.

- i. Adult educational classes may include computer classes, financial literacy, job seeking skills, and resume building. Adult educational classes shall be provided no less than eighty-four (84) hours annually.
- ii. Case Management – Onsite case managers will provide support in linking to physical health care, including access to routine and preventative health and dental care and wellness management. Case Manager may provide transportation vouchers, basic housing retention skills, including assistance with daily living needs, such as home maintenance and upkeep, cooking, laundry and financial management. 1.0 FTE Case Manager will be provided.

**6. RESPONSIBILITIES OF HOUSING AUTHORITY AND PWC:**

During the term of this MOU, Housing Authority and PWC shall:

A. Obtain a lender-approved real estate appraisal for the proposed site.

B. Perform all management functions related to the Brunswick Commons Supportive Housing project located at 936 Old Tunnel Road, Grass Valley, California. Management responsibilities include, but are not limited to, verification of tenant eligibility, selection of tenants, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and providing adequate security in and around the facilities and property. Housing Authority and PWC shall not transfer, contract, or assign their management responsibilities without

the express written authority of HHSA.

HHSA shall have the right to conduct periodic reviews of the management practices and financial status of the Project for purposes of determining whether the Project is being operated and managed in accordance with the Project's requirements and standards. Prior to the initial leasing of any residential units, Housing Authority and PWC shall submit a written management plan and policies with respect to the Project to HHSA for review and approval.

Housing Authority and PWC, including their successors and assigns, agree that in order to ensure the Project is maintained and managed as required by HHSA, the Brunswick Commons Supportive Housing Project shall be utilized for a period of no less than 20 years from date of completion as affordable housing, and for the provision of appropriate supportive services, to persons with psychiatric disabilities who are homeless, or at risk of being homeless, and their families.

- C. Prepare funding applications to various funding sources that may include, but are not limited to HUD, California Tax Credit Allocation Committee, local governments and private lenders for acquisition, construction, bridge and permanent financing necessary for the development and construction of the affordable housing project described in this MOU.
- D. Conduct negotiations and communications with lenders, including construction, permanent, and bridge lenders, investors, and government loan programs.
- E. Manage all loan closings through payoff of all construction loans and final payment of all equity payments from investors, if any ("Construction Completion"); provide all due diligence information to lenders; coordinate all lenders documents and requirements; submit development proformas as needed; prepare and submit all lender reports and coordinate with all lender monitoring.
- F. Develop accounting and bookkeeping systems; work with auditor to prepare audited financial statements, tax returns, development cost certifications, and K-1s; supervise the accounting firm's performance through development closeout.
- G. Provide lenders and investors with guarantees and net worth requirements through construction completion.
- H. Oversee preparation of architect's and engineers' plans and specifications; ensure compatibility with adjacent developments and design and development standards of the developer, lenders, investors and County/City departments.
- I. Obtain Soils Report and all other environmental clearances, as required, to develop the property; consultant must be approved by lenders and investors; scope of work must include specified requirements from lenders and investors.
- J. Provide technical assistance, as required, related to grant and other funding applications and approvals, related to pre-approval and pre-development activities.

- K. Oversee local government review and approval process; and attend meetings with planning/building department officials, community members, as well as other public meetings and processes, as may be required, in furtherance of the Project.
- L. Coordinate, apply for, and secure all required land use approvals, permits, and California Environmental Quality Act (CEQA) reports required to develop the Project, as well as any environmental impact reports and/or studies, appraisals, design services and any other reports or documents required for inclusion in the proposal and/or required under the City of Grass Valley Planning Department and/or City and County Code and Planning Departments.
- M. Present information to the Board of Supervisors, Planning Commission/City Council and/or other partners, lenders, etc. as appropriate.
- N. Provide course of construction Liability and Builder's Risk Insurance.
- O. Assemble team of co-developer and contractor(s), construction lender, permanent lender, and tax-credit investor as needed.
- P. Commit Project Based Section 8 rental assistance for the permanent supportive affordable housing development, approximately 40 units, prepare all necessary HUD submissions, and approvals.
- Q. Maintain, at their own expense, the subject property, the interior and exterior housing facilities and improvements, related landscaping and common areas in good physical condition, in good repair, and in decent, safe, sanitary, habitable and tenantable living conditions in conformity with applicable state, federal, and local laws, ordinances, codes, and regulations.

**7. COLLECTIVELY, THE PARTIES SHALL:**

- A. Participate in regular joint meetings of direct service staff, coordinated by the supportive services providers, on at least an annual basis. The purpose of this meeting will be to discuss coordination of services, programming overall, project operations and adjustments needed to improve quality of life for Brunswick Commons residents.
- B. Share with each other phone and contact directories of key staff involved with the housing development within their respective organizations (e.g., property managers, maintenance staff, supervisors, case managers, emergency contact phone numbers, etc.). The directory shall include e-mail, fax, and phone numbers where available and appropriate.
- C. Share written policies, procedures and forms for filing complaints, grievances, and incident reports related to owners, managers, or services, including an overview of the reporting structure within each organization.
- D. Respect tenant confidentiality and share information about specific tenants only when they have signed an authorization or in cases when the tenants' housing is in jeopardy. All parties agree that their intake and consent documents will disclose to tenants in writing that they live in a supportive housing site in which property management,

supportive services and any housing subsidy providers communicate confidential tenant information only when: 1) tenants have signed an authorization form; or 2) tenants are in jeopardy of losing their housing.

- E. Conduct regular trainings for staff regarding maintaining client/tenant confidentiality and include maintenance of client/tenant confidentiality as a work performance expectation for all appropriate job classifications.
- F. Participate in data collection requirements of all contractual participants and project subsidy providers, to include information specific to each party's function (e.g. occupancy reports and participation in services).

## **8. RECORDS AND AUDITS**

It is understood that the Parties shall be subject to examination and audit of any records associated with the provision of services, claims to obtain funding and payment records for a period of five (5) years after termination of this MOU. Therefore, the parties agree to retain such records for the recited five (5) year period.

## **9. PARTIES AS INDEPENDENT**

Nothing contained herein shall be deemed to create a partnership, joint venture, or agency relationship between the Parties. In agreeing to the obligations and understandings set forth herein, each Party acknowledges that it shall act in an independent capacity, and not as the employees, agents, or officials of the other. Each Party agrees that neither its agents nor employees have any rights, entitlements or claims against the other for any type of employment benefits or workers' compensation. Each Party shall hold the other harmless and indemnify against any such claim by its agents or employees.

## **10. INDEMNIFICATION**

Each Party to this MOU will indemnify, defend, and hold harmless the other Parties and their officers, officials, employees, agents, and volunteers from and against any and all liabilities, claims, demands, damages, losses and expenses (including without limitation, defense costs and attorney fees of litigation) which result from the negligent act, willful misconduct, or error or omission of the indemnifying Party, its officers, agents, employees, or volunteers, related to the performance of this MOU.

## **11. INSURANCE**

It is agreed that the Parties to this MOU shall each maintain at all times during the term of this MOU insurance coverage in the amounts of not less than One Million Dollars (\$1,000,000) to cover all of its operations. Specifically, but not limited to, not less than One Million Dollars (\$1,000,000) general liability, One Million Dollars (\$1,000,000) automobile liability, One Million Dollars (\$1,000,000) workers' compensation, and One Million Dollars (\$1,000,000) professional liability (E&O).

## **12. AMENDMENTS**

Any material changes to any of the clauses above must be mutually agreed upon by all Parties, and shall only become effective when in writing and fully executed by duly authorized officials of the Parties hereto.

### **13. TERMINATION**

This MOU may be terminated by any party at any time for any reason upon sixty (60) days advance written notice to the other parties, which shall be served in conformity with the notice provisions contained in this MOU. The Parties desire to maintain effective working relationships and agree to meet in good faith to first attempt to resolve any disputes or other issues that may result in either party terminating this MOU early. Further, while it is HHSA's intent to provide the equivalent staffing and supportive services during the term of this MOU, should the County Board of Supervisors not allocate the funding necessary to maintain the level of HHSA staffing and services, the Parties agree that continued HHSA staffing and supportive services will be subject to reimbursement by the Project Manager/Operator. In such case, should the Project Manager/Operator not commit the necessary funding to maintain the HHSA staffing and services described in this MOU, HHSA shall have the right to terminate this MOU according to the written notice requirements contained herein.

### **14. NOTICES**

All notices to be provided under this MOU shall be in writing and serviced by first-class mail, and shall be deemed received by the Parties below on the fifth (5th) day following the date of mailing, or the earlier date of personal service, as the case may be.

Notices shall be addressed as follows:

To:

Michael Heggarty, Director  
Health and Human Services Agency  
950 Maidu Avenue, Suite 120  
Nevada City, CA 95959

Nancy Baglietto  
Foothill House of Hospitality  
1262 Sutton Way  
Grass Valley, CA 95945

Gustavo Becerra, Executive Director  
Regional Housing Authority  
1455 Butte House Road  
Yuba City, CA 95993

Caleb Roope, President and CEO  
Pacific West Communities, Inc.  
430 E. State Street, Suite 100  
Eagle, ID 83616

With a copy to:

Nevada County Board of Supervisors  
950 Maidu Avenue, Suite 220  
Nevada City, CA 95959

IN WITNESS WHEREOF, the parties have executed this MOU as of the dates of their signatures:

NEVADA COUNTY HHSA

By: \_\_\_\_\_  
Michael Heggarty, Director  
Health and Human Services

\_\_\_\_\_  
Date

FOOTHILL HOUSE OF HOSPITALITY

By: \_\_\_\_\_  
Nancy Baglietto, Executive Director

\_\_\_\_\_  
Date

REGIONAL HOUSING AUTHORITY

By: \_\_\_\_\_  
Gustavo Becerra, Executive Director

\_\_\_\_\_  
Date

PACIFIC WEST COMMUNITIES, INC.

By: \_\_\_\_\_  
Caleb Roope, President and CEO

\_\_\_\_\_  
Date