

MEMORANDUM OF UNDERSTANDING

Between

Housing Authority of Tulare County

and

Tulare County Health & Human Services Agency, Mental Health Branch

and

TMHSA Housing, Inc.

This **MEMORANDUM OF UNDERSTANDING (MOU)** is entered into as of this _____, 2019, (“Effective Date”) by and between the Housing Authority of Tulare County (hereinafter referred to as “HATC”) which is a public agency, corporate and politic, established under federal and state law; Tulare County Health and Human Services Agency, Mental Health Branch (hereinafter referred to as “TCHHSA”); and TMHSA Housing Inc. (hereinafter referred to as “TMHSA”) to develop a partnership for the provision and management of supportive permanent housing for the mentally ill in Tulare County at three sites. HATC, TCHHSA, and TMHSA are collectively referred to as “THE PARTIES” throughout this MOU.

I. Purpose and Background

HATC provides affordable lower income housing for Tulare County, including special needs clients with mental illness. TCHHSA, is a department within the County of Tulare and is charged with the provision of mental health services to Tulare County residents. TMHSA is a nonprofit corporation formed by HATC and TCHHSA to own Mental Health Services Act (MHSA) housing in Tulare County. Since 1981, HATC and TCHHSA have been operating facilities in Tulare County for the mentally ill in a cooperative and productive fashion to achieve their common goals, and to benefit county residents. TMHSA was formed in 2011 to own and accept loaned MHSA monies from the State of California on behalf of Tulare County residents.

II. Program Description

HATC, TCHHSA, and TMHSA operate and provide supportive permanent housing for the mentally ill in Tulare County at the three sites listed below, (hereinafter referred to as “Apartments”).

- East Tulare Avenue Cottages: 653, 657, 701 E Tulare Avenue, Visalia, CA
- Tulare Permanent Supportive Housing: 236, 252, 256 S Sacramento St., Tulare, CA
- Lotas Street Apartments: 43 N Lotas St., Porterville, CA

The Apartments provide “shared occupancy” for persons qualifying under program qualifications. The program qualifications are those promulgated under the MHSA Supportive Housing program and are designed for persons with serious mental illness who are homeless, or at risk of homelessness.

The terms described below represent current agreements and understandings between the parties. Formal responsibilities and commitments are described in greater specificity in the appropriate funding contracts and regulatory agreements.

III. Terms and Conditions

This agreement delineates the terms and conditions of this joint venture, utilizing monies under the Mental Health Services Act (MHSA).

The parties shall operate the Apartments based upon the terms described below, which represent current agreements and understandings between the parties.

IV. Joint Responsibilities of THE PARTIES

- Participate in a collaborative planning process that will strengthen linkages between all Supportive Housing Sites, both transitional and permanent, Community Living ("CLC"), Transitional Living Center ("TLC"), East Tulare Apartment Cottages ("ETAC"), Tulare Permanent Supportive Housing, and Lotas Street Apartments; and, which have resulted in the acquisition, finance and delivery of housing and services to low-income, formerly homeless or at risk of homelessness mentally ill individuals;
- Facilitate the development of strategies to more effectively meet the needs of those who were formerly homeless and/or severely mentally ill, including the provision of intensive case management services linked to permanent housing, which coordinate staff and resources to reduce the fragmentation and barriers encountered by the target population and support them in stabilizing their health and maintaining permanent housing;
- Provide reporting and keep records as required by the Mental Health Services Act, including, but not limited to, Sections 5664, 5847, subdivision (h) of Section 5892, and 5899;
- Confidentiality: All parties agree that, by virtue of entering into this Agreement, they will have access to certain confidential information regarding tenants and the other parties' operations related to this project. None of the parties bound by this MOU will at any time disclose confidential information and/or material without the consent of the subject tenant unless such disclosure is authorized in this agreement or as required by law; all Health Insurance Portability and Accountability Act (HIPAA) regulations apply to this initiative. Unauthorized disclosure of information shall be considered a material breach of this Agreement. Where appropriate, releases will be secured before confidential information is exchanged. Confidential information will be handled with the utmost discretion and judgment;
- Nondiscrimination: There shall be no discrimination against any persons on account of race, color, creed, religion, sex, marital status, sexual orientation, age, disabilities, ancestry, or national origin in the operation of the project described in this MOU; and

- Severability: In the event any provision of this Agreement shall be found to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity, legality, and enforceability of the remainder of this Agreement.

V. HATC Responsibilities

Finance, construct and manage Apartments either directly or through an affiliated limited partnership or some other approved entity and restrict them to use by the mentally ill in accordance with the Mental Health Services Act.

- Provide professional property management services for the project. This includes calculation of incomes for eligibility with respect to income and assets, and establishment of rents and utilities under the MSHA program. HATC understands that persons receiving operating subsidies under the MSHA program guidelines as currently constituted will limit eligibility to those persons at or below 30% of median income. Their rent will also be restricted to 30% of adjusted income. Persons not receiving operating subsidies will be restricted to rents at 30% of 50% of median income. These requirements shall be consistent with the property management plan and contract between TMHSA and HATC;
- House clients referred to the project by TCHHSA, provided they meet program requirements;
- Evict clients as necessary at the direction of TCHHSA;
- Provide property maintenance services in a manner that provides quality, safe, permanent affordable housing to those who are low-income, formerly homeless and/or severely mentally ill;
- Develop operating budgets and submit those sixty (60) days in advance for concurrence by TCHHSA;
- Collaborate with service partners to facilitate procedures to inform tenants of the services that are available to them. Establish and implement procedures to notify service partners of tenants experiencing housing difficulties;
- Work with TCHHSA to house referred tenants from the TLC, CLC, or through other referral sources of TCHHSA. HATC will provide vacancy reports to TCHHSA semi-annually, in an effort to allow TCHHSA to track vacancies in shared housing; and
- Perform duties in compliance with regulatory agencies that have oversight responsibilities with respect to the Apartments in order to maintain the property for the mentally ill as long as adequate rental subsidies are available.

VI. TCHHSA Responsibilities

- Provide staff as necessary to provide clinical case management services adequate for Apartments;
- Provide a resident supervisor to provide client services if TMHSA deems it necessary;
- Collect tenant rent payments and provide them to HATC in a timely manner. Rents shall be collected by TCHHSA and provided to HATC in a similar manner as in East Tulare

Apartment Cottages (ETAC). Provide sufficient referrals so as to insure the apartments are fully occupied. In the event vacancies are in excess of budgeted amounts, resulting in losses to the project, reimburse HATC annually for those losses upon demand. Provide reimbursement to HATC for uncollected rents on a shared housing basis, and utilities to the extent HATC cannot offset rent collections by deducting deposits;

- Provide outreach and client-centered intensive case management and treatment services to address MHSA tenant needs, including mental and physical illness and substance abuse. Services include, but are not limited to: group therapy sessions, individual counseling and case management, psychiatric assessment and medication support, training and education, and crisis intervention;
- Facilitate linkages between supportive housing and mental health and/or substance abuse treatment programs, including helping MHSA tenants to access treatment services, maintaining contact with MHSA tenants during hospitalizations and/or short-term residential treatment, and providing support during transitions from treatment to housing. Make other referrals to on-site and off-site services as needed, including self-help groups;
- Coordinate with on-site Support Services and MHSA residents to implement and evaluate group discussions and activities that are designed to support residents individually and communally;
- Refer eligible tenants from the CLC, TLC, or other facilities for housing at the Apartments. TCHSA is aware it is their responsibility alone to provide eligible referrals for housing under this agreement and that vacancies in excess of five percent per annum of projected tenant rents must be reimbursed to HATC under this agreement, no later than 60 days after the end of the fiscal year;
- Refer other qualified mental health clients to HATC for housing in the event of vacancies, and provided there are insufficient clients being referred from CLC and TLC;
- Conduct orientations and needs assessments for all MHSA tenants as they move into housing. Assessments assist staff and MHSA tenants in identifying issues which may affect their ability to retain housing and present opportunities to work with MHSA tenants on addressing those issues;
- Provide wraparound services to participants including mental health services, substance abuse treatment, residential treatment (if necessary), medical supportive detoxification, intensive case management, and follow-up with medical providers and participant appointments;
- Offer assistance with independent living skills and problem solving to severely mentally ill individuals who obtain permanent housing, and assist them in accessing community services (i.e., money management, medical services, substance abuse/mental health treatment, employment, education, benefits information) through information, referrals, advocacy, and additional follow-ups, as necessary;
- Help develop and follow emergency and other program procedures;

- Provide tenants with basic housing needs such as toiletries and bathroom supplies, bedding, towels, and other minor appliances—to the extent they are needed and accommodated by the site—such as microwave oven, toaster, and kitchenware;
- Act as the money management services provider for all program tenants who lack an authorized provider, coordinating with Property and Case Management to enroll new participants as needed; and
- Participate in regularly occurring Operations Meetings on an as-needed basis.

VII. TMHSA Responsibilities

Own and operate Apartments in accordance with this memorandum of understanding, regulations, and State Corporation laws. Accept loans from Tulare County to facilitate MHSA housing, and generally provide guidance and oversight of Apartments.

VIII. Insurance

Prior to approval of this Agreement by the County of Tulare’s Board of Supervisors (COUNTY), TMHSA Housing, Inc. shall file with the Clerk of the Board of Supervisors evidence of insurance as set forth in EXHIBIT C attached, which outlines the minimum scope, specifications, and limits of insurance required under this Agreement. Additional insured endorsements required as outlined in EXHIBIT C shall not be used to reduce limits available to COUNTY as an additional insured from the full policy limits. Insurance policies shall not be used to limit liability or to limit the indemnification provisions and requirements of this Agreement or act in any way to reduce the policy coverage and limits available from the insurer(s). Failure to maintain or renew coverage, or to provide evidence of renewal, may be considered a material breach of this Agreement.

IX. Termination

Either HATC or TCHHSA shall have the right to terminate this agreement at any time by giving the other party sixty (60) days prior written notice specifying the effective date, provided that their respective obligations are met with respect to regulatory requirements under funding sources. Any modifications to this MOU must be in writing and agreed to by all parties.

X. Notice and Dispute Resolution

HATC, TCHHSA, and TMHSA will consult with one another and obtain consent prior to changing the method or operation and/or management practices on Apartments. Should a dispute take place, the Executive Director of HATC and the Director of Mental Health Branch of TCHHSA shall consult with each other in a cooperative fashion to resolve the matter. In the event they are unable to resolve the dispute, they shall mutually agree on the selection of a mediator to facilitate dispute resolution. The costs of the mediator shall be shared equally among all of the parties.

XI. Indemnification

Each party shall, to the fullest extent permitted by law, hold harmless, defend and indemnify the other parties and their officers, officials, employees and volunteers from and against all claims (including all litigation, demands, damages, liabilities, costs, and expenses, and including court costs) arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of the indemnifying party's employees, agents and volunteers for the indemnifying party's obligations under and/or actions taken pursuant to this agreement, except where caused by the active negligence, sole negligence or willful misconduct of the indemnified parties. The provisions of this section survive completion of the services or the termination of this Agreement.

THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

Housing Authority of Tulare County

KEN KUGLER
Printed Name

Ken Kugler
Signature

10-18-19
Date

Tulare County Health & Human Services Agency, Mental Health Branch

Printed Name

Signature

Date

TMHSA Housing, Inc.

KEN KUGLER
Printed Name

Ken Kugler
Signature

10-18-19
Date

APPROVED AS TO FORM:
COUNTY COUNSEL
BY: [Signature]
DEPUTY 20191746

NON-PROFESSIONAL SERVICES(Exhibit C)

INSURANCE REQUIREMENTS

CONTRACTOR shall provide and maintain insurance for the duration of this Agreement against claims for injuries to persons and damage to property which may arise from, or in connection with, performance under the Agreement by the CONTRACTOR, his agents, representatives, employees and subcontractors, if applicable.

A. Minimum Scope & Limits of Insurance

1. Commercial General Liability coverage of \$1,000,000 on an occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury (occurrence Form CG 00 01). If a general aggregate applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit must be no less than \$2,000,000.
2. Insurance Services Office Form Number CA 00 01 covering Automobile Liability, (any auto) of no less than \$1,000,000 per accident for bodily injury and property damage. If an annual aggregate applies it must be no less than 2,000,000.
3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

B. Specific Provisions of the Certificate

1. If any of the required insurance is written on a claims made form, the retroactive date must be before the date of the contract or the beginning of the contract work and must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract work.
2. CONTRACTOR must submit endorsements to the General Liability reflecting the following provisions:
 - a. *The COUNTY OF TULARE, its officers, agents, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operation.*
 - b. *For any claims related to this project, the CONTRACTOR's insurance coverage shall be primary insurance as respects the COUNTY, its officers, agents, officials, employees and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, agents, officials, employees or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.*
 - c. *Each insurance policy required by this agreement shall provide that coverage shall not be canceled, except with written notice to the COUNTY.*
 - d. *CONTRACTOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of the CONTRACTOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.*

3. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the COUNTY for all work performed by the CONTRACTOR, its employees, agents and subcontractors. CONTRACTOR waives all rights against the COUNTY and its officers, agents, officials, employees and volunteers for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.

C. Deductibles and Self-Insured Retentions

Deductibles and Self-insured retentions must be declared and any deductible or self-insured retention that exceeds \$100,000 will be reviewed by the COUNTY Risk Manager for approval.

D. Acceptability of Insurance

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A-VII and a Standard & Poor's rating (if rated) of at least BBB and from a company approved by the Department of Insurance to conduct business in California. Any waiver of these standards is subject to approval by the County Risk Manager.

E. Verification of Coverage

Prior to approval of this Agreement by the COUNTY, the CONTRACTOR shall file with the submitting department, certificates of insurance with original endorsements effecting coverage in a form acceptable to the COUNTY. Endorsements must be signed by persons authorized to bind coverage on behalf of the insurer. The COUNTY reserves the right to require certified copies of all required insurance policies at any time.

WAIVERS:

I represent and attest that I am a person authorized to make representations on behalf of the CONTRACTOR, and represent the following:

(mark X if applicable)

Automobile Exemption: I certify that TMHSA does not own nor use vehicles in the performance of the agreement for which this insurance requirement is attached.

Workers' Compensation Exemption: I certify that TMHSA is not required to carry workers' compensation coverage or has filed an exemption with the State of California as required by law.

I acknowledge and represent that we have met the insurance requirements listed above.

Print Name KEN KUSLER Date: 10-18-19

Contractor Name TMHSA

Signature Ken Kusler