



**REGIONAL CENTER OF ORANGE COUNTY  
BOARD OF DIRECTORS' MEETING  
AGENDA**

Date: **Thursday, June 3, 2021**

Time: **5:30 p.m. – 7:00 p.m.**

Place: via electronic means

<b>I.</b>	<b>Closed Session (Board Members Only)</b>		
	A.	W&I Code §4663 and §4664	David M. Lester, Esq.
<b>II.</b>	<b>Recess</b>		
<b>III.</b>	<b>General Session</b>		
	A.	Pledge of Allegiance/Reading of RCOC's Mission and Vision Statement	John "Chip" Wright
	B.	Budget and Finance Committee	Mine Hagen
	C.	Consent Calendar*	John "Chip" Wright
		<ol style="list-style-type: none"> <li>1. Approval of Board of Directors' Minutes for May 6, 2021**</li> <li>2. Budget and Finance Committee**               <ol style="list-style-type: none"> <li>a. Approval of Monthly Sufficiency of Allocation Report, April 2021**</li> <li>b. Approval of Contract and Preliminary Allocation, Fiscal Year 2021-22</li> <li>c. Approval of Budget Amendment B-3, Fiscal Year 2020-21</li> <li>d. Approval of CalPERS Requirement for a Publicly Available Pay Schedule Effective June 3, 2021**</li> <li>e. Approval of Budget Amendment</li> </ol> </li> </ol>	
	D.	Executive Director's Report	Larry Landauer
		<ol style="list-style-type: none"> <li>1. Operations Report – April 2021**</li> <li>2. Performance Contract – April 2021**</li> <li>3. Employment Update               <ol style="list-style-type: none"> <li>a. Information Regarding Five Proposals Which Have Been Approved by the Department of Developmental Services to Fund Changes Necessary for Providers to Come into Compliance with the Final Rules for Home and Community-Based Services**</li> </ol> </li> <li>4. Hy-Lond Update</li> <li>5. Housing Update               <ol style="list-style-type: none"> <li>a. Approval of Start-Up Funding Agreement with Service Provider, The James Homes, for Development of a Specialized Residential Facility (CRDP Project No. 2021-1)**</li> <li>b. Approval of Property Acquisition Agreements with Non-Profit Housing Corporation, Brilliant Corners, for Development of Two (2) Enhanced Behavioral Supports Homes (CRDP Project No. 2021-3 and 2021-4)**</li> <li>c. Approval of Property Renovation Agreements with Non-Profit Housing Corporation, Brilliant Corners, for Development of Two (2) Enhanced Behavioral Supports Homes (CRDP Project No. 2021-3 and 2021-4)**</li> </ol> </li> </ol>	<p>Arturo Cazares</p> <p>Keli Radford Jack Stanton Christina Petteruto</p>
	E.	Community Forum***	John "Chip" Wright
	F.	Executive Committee	John "Chip" Wright
		<ol style="list-style-type: none"> <li>1. Approval of Renewal of Board Membership for Chinh Nguyen for a Three-Year Term Commencing September 1, 2021 and Ending August 31, 2024</li> <li>2. Approval of Renewal of Board Membership for Sandy Martin for a Three-Year Term Commencing September 1, 2021 and Ending August 31, 2024</li> <li>3. Approval of the 2021 Strategic Plan**</li> <li>4. Approval of the Board of Directors' Meeting Schedule for Fiscal Year 2021-22**</li> </ol>	

	G.	Nominating Committee**	John “Chip” Wright
		1. Approval of Proposed Slate of Officers with Terms Commencing July 1, 2021 and Ending December 31, 2022	
	H.	Board Recruitment and Training Committee**	John “Chip” Wright
		1. Approval of Board Membership for Hilda Mendez for New Three-Year Term Commencing July 1, 2021 and Ending June 30, 2024**	
	I.	Policies and Outcomes Committee**	Cliff Amsden
		1. Review of Whistleblower Policy** 2. Approval of Revisions to the Transparency and Public Information Policy**	
	J.	Vendor Advisory Committee**	Tiffany Bauer
		1. Approval of Vendor Advisory Committee Members**	
	K.	Peer Advisory Committee**	Sylvia Delgado
	L.	Legislative and Community Awareness Committee	Liza Krassner
	M.	ARCA Report	Liza Krassner
	N.	Chairperson’s Report	John “Chip” Wright
<b>IV.</b>		<b>Adjournment</b>	John “Chip” Wright

*\*All items on the Consent Calendar will be approved by one motion, and there will be no discussion on individual items unless a Board member or a member of the public requests that a specific item be pulled from the Consent Calendar for separate discussion and possible action.*

*\*\*Attachments for Board members in Board packet.*

*\*\*\*This is an opportunity for the public to comment on issues of interest. Speakers should complete the "Request to Speak" form located at the entrance to the meeting room and return the form to the Recording Secretary. Each person's presentation is limited to a maximum of five minutes.*

**Regional Center of Orange County  
Board of Directors' Meeting  
May 6, 2021  
Videoconference Minutes**

**Board Members Present:** John "Chip" Wright, Chairperson  
Marcell Bassett  
Tiffany Bauer  
Meena Chockalingam  
Sylvia Delgado  
Mine Hagen  
Frances Hernandez  
Amy Jessee  
Liza Krassner  
Sandy Martin  
Chinh Nguyen  
Fernando Peña

**Board Members Absent:** Cliff Amsden

**Corporate Counsel Present:** David Lester, Esq.

**I. General Session**

Mr. Chip Wright called the meeting to order at 5:39 p.m.

**A. Pledge of Allegiance/Reading of RCOC's Mission and Vision Statement**

Mr. Fernando Peña led attendees in a recitation of the Pledge of Allegiance.  
Ms. Sylvia Delgado read RCOC's Mission and Vision Statement.

**B. Budget and Finance Committee**

Ms. Mine Hagen reported that the Roger Bulosan from the independent accounting firm, Marcum, LLP, presented the audited financial statements and the draft Form 990, Return of Organization Exempt from Income Tax, for the year ended June 30, 2020.

The Committee also reviewed the Department of Developmental Services' (DDS') Audit Report for Fiscal Years Ended June 20, 2018 and 2019.

Ms. Hagen reported that the Committee recommends for approval all of its items on the consent calendar.

**C. Consent Calendar**

1. Approval of Board of Directors' Minutes for March 4, 2021
2. Budget and Finance Committee
  - a. Approval of Monthly Sufficiency of Allocation Report, February 2021
  - b. Approval of Monthly Sufficiency of Allocation Report, March 2021
  - c. Approval of Budget Amendment E-5, Fiscal Year 2018-19
  - d. Approval of Audited Financial Statements for the Year Ended June 30, 2020

*M/S/C to approve the consent calendar as presented*

**D. Executive Director's Report**

Mr. Larry Landauer gave his Executive Director's Report, which included the following highlights:

- *Federal News.* Mr. Landauer reported that President Biden's proposed \$4.1 billion plan on infrastructure includes \$400 billion for in-home care for people with disabilities and older adults.

Mr. Landauer reported that the Federal Communications Commission (FCC) will launch an Emergency Broadband Benefit Program. The Consolidated Appropriations Act of 2021 included a new \$3.2 billion Emergency Broadband Benefit Program to help low-income consumers access the Internet. To participate in the program, a telecommunications provider must elect to participate and either be designated as an eligible telecommunications carrier or be approved by the commission. Participating providers will make available to eligible households a monthly discount of up to \$50 off the standard rate for Internet service and associated equipment. Participating providers will receive reimbursement from the Emergency Broadband Benefit Program for the discounts provided. Participating providers that also supply an eligible household with a laptop, desktop computer, or tablet (connected device) for use during the emergency period may receive a single reimbursement of up to \$100 for the connected device.

- *Coronavirus Disease 2019 (COVID-19).* Mr. Landauer reported that the number of positive cases in Orange County continues to decline due to the many individuals who have been vaccinated. At RCOC, over 4,280 persons served have received their first dose of the vaccine; 3,807 are fully vaccinated; and, over 442 have declined.
- *Developmental Services (DS) Task Force.* Mr. Landauer reported that the DS Task Force workgroups continue to hold monthly meetings, which are designed to explore ways to strengthen community services.

*RCOC Board of Directors' Meeting Minutes*  
*May 6, 2021*

- *Community Resources Workgroup.* Mr. Arturo Cazares, RCOC's Associate Director of Employment, reported that the Committee met on March 11, 2021, reviewed and discussed plans for the Community Placement Plan and Community Resource Development Plan for fiscal year 2020-21. The Committee provided input and feedback to DDS on what could be done to improve the development of both plans for fiscal year 2021-22.
- *Oversight, Accountability and Transparency Workgroup.* Mr. Landauer reported that the group met on March 29, 2021. Mr. Landauer stated that DDS posed two questions for the workgroup to discuss. First, what outcomes should we measure that are meaningful to individuals? Second, what measures and outcomes are important to track statewide?
- *Safety Net Workgroup.* Dr. Bonnie Ivers, RCOC's Clinical Director, reported that the group met on April 19, 2021, and discussed strategies to support first responders, regional centers, families and others in response to crisis events.
- *Access and Equity Workgroup.* Ms. Kaitlynn Truong, RCOC's Cultural Specialist, stated that the workgroup met on April 26, 2021. Ms. Truong reported that DDS received over 90 Requests for Proposal (RFP) for the Service, Access and Equity grants. DDS awarded 53 projects to community-based organizations and ten regional centers for a total of \$1.9 million dollars. RCOC received \$50,000 for developmental screenings in underserved communities within Orange County.
- *Purchase of Service (POS) Expenditures for Fiscal Year 2020-21.* Mr. Landauer reported that there is a projected deficit system-wide.
- *Person Centered Thinking (PCT).* Mr. Landauer reported that RCOC continues to provide PCT trainings.
- *Employment.* Mr. Cazares reported that there is now a slow increase in individuals served returning to previous employment or obtaining new employment opportunities.

Mr. Cazares also reported that the virtual Adult Day Programs and Employment Services Vendor Fair will be held on May 18, 2021.

- *Closure of Hy-Lond.* Ms. Keli Radford, RCOC's Director of Services and Supports, reported on the Hy-Lond residents who are currently residing outside of Orange County until their new ResCare home are ready for occupancy.
- *Housing.* Mr. Jack Stanton, RCOC's Associate Director of Housing, reported that ten units at the Salerno Apartments in Irvine have been leased to persons served and will be available soon for occupancy.

Mr. Stanton also reported that DDS approved the development of two Enhanced Behavioral Supports Homes (EBSHs). EBSHs provide 24-hour non-medical care in a homelike setting for individuals with developmental disabilities with challenging behaviors who require additional supports, staffing, and supervision. The homes have unique characteristics and offer person-centered planning, positive behavior supports, trauma-informed care, and other services and supports that are beyond what is typically available in other community-based homes. EBSHs are certified by the Department of Developmental Services and licensed by the State Department of Social Services.

- *Legislative and Community Awareness.* Mr. Landauer reviewed media highlights and reported that RCOC held virtual meetings with State Legislators and their staff.
  - On April 13, 2021, Mr. Landauer, Ms. Anh Nguyen, RCOC's Communications Consultant, and Mr. Cliff Amsden, Board member, met with Ms. Anne Figueroa, District Director, Assemblymember Laurie Davies.
  - On April 14, 2021, Mr. Landauer, Ms. Nguyen and past Board member and person served, Mr. Wendel Starkey met with Mr. Edwin Borbon, District Director, Assemblymember Phillip Chen.
  - On April 16, 2021, Mr. Landauer, Ms. Nguyen and Board members Ms. Liza Krassner and Ms. Sandy Martin met with Assemblymember Cottie Petrie- Norris and two of her staff members.
  - On April 16, 2021, Mr. Landauer, Ms. Nguyen and Board member Ms. Liza Krassner met with Ms. Carrie O'Malley, District Director, Assemblymember Steven Choi.
  - On April 28, 2021, Mr. Landauer, Ms. Nguyen and Board members Ms. Chinh Nguyen and Ms. Amy Jessee met with Senator Tom Umberg and two of his staff members.
- *Health and Wellness.* Dr. Ivers reported that the current class of the *Healthy Life, Happy Life* program, with 203 participants, will end this month. Dr. Ivers added that a new class will begin in August 2021.
- *RCOC News.* Mr. Landauer reported that RCOC continues to conduct its virtual community meetings with translation services available in Spanish and Vietnamese. Mr. Landauer stated that Dr. Peter Himber, RCOC's Medical Director, continues to provide updates and vital information on COVID-19 and vaccines. Additionally, Dr. Himber and Dr. Ivers continue to be active partners with the Orange County Health Care Agency.

- *Self-Determination Program (SDP)*. Mr. Landauer reported that the next SDP Local Advisory Committee will be held virtually on May 24, 2021.
- *Association of Regional Center Agencies (ARCA) Academy*. Mr. Landauer reported that the fourth ARCA Academy training webinar on *Diversity, Part 2*, is scheduled for May 8, 2021. The trainings are available for all regional center Board members.

#### **E. Community Forum**

There were no speakers for community forum.

#### **F. Executive Committee**

Mr. Wright reported that the Committee met on April 19, 2021.

Mr. Wright presented the following agenda item for approval.

1. Approval of Renewal of Board Membership for Clifford Amsden for a Three-Year Term Commencing July 1, 2021 and Ending June 30, 2021

***M/S/C to approve the Renewal of Board Membership for John “Chip” Wright for a Three-Year Term Commencing July 1, 2021 and Ending June 30, 2021, as recommended***

The next Committee meeting is scheduled for May 17, 2021.

#### **G. Board Recruitment and Training**

Mr. Wright reported that the Committee met on April 12, 2021, and discussed recruitment efforts. The next Committee meeting will be held on May 10, 2021.

Mr. Wright also reported that the Board's next virtual training will be on *Home and Community Based Services (HCBS) and the Centers for Medicare & Medicaid Services' (CMS') Final Rule* at 5:30 p.m. on July 8, 2021.

#### **H. Policies and Outcomes Committee**

In Mr. Cliff Amsden's absence, Ms. Mine Hagen reported that the Committee met and reviewed the Policies on Governance, Policy on Executive Performance and Monitoring, Executive Limitations Policy and Communications Policy. Revisions were proposed for the Executive Limitations Policy and the Communications Policy.

Ms. Hagen presented revisions to the Executive Limitations Policy and the Communications Policy, as recommended by the Policies and Outcomes Committee.

1. Approval of Revisions to the Executive Limitations Policy

*M/S/C to approve revisions to the Executive Limitations Policy as recommended*

2. Approval of Revisions to the Communications Policy

*M/S/C to approve revisions to the Communications Policy as recommended*

Ms. Hagen also stated that the Committee received an update on a discussion about revisions to the Policy on Background Check Requirement for Providers. The law requires background checks for some direct service professionals but not all. The result is that background checks are completed by State agencies for licensed residential facilities, site-based licensed day programs, Adult Family Home Agencies and, if requested, the Self-Determination Program. The vulnerability of persons served is the same across all services but the laws covering these services are not. It was agreed that Mr. Landauer will advocate for the Department of Developmental Disabilities to expand the process that is in statute for Adult Family Home Agencies and the Self-Determination Program (SDP), to all other services.

The next Committee meeting is scheduled for May 17, 2021.

#### **I. Vendor Advisory Committee**

Ms. Tiffany Bauer reported that the Committee met on April 13, 2021, and discussed concerns about COVID-19 vaccination policies and the safe re-opening of programs.

Ms. Bauer also reported that the Committee recommends for approval the following agenda item:

1. Approval of Vendor Advisory Committee Members

*M/S/C to approve Vendor Advisory Committee Members*

#### **J. Peer Advisory Committee**

Ms. Sylvia Delgado reported that the Committee met on March 21, 2021, and Mr. Cazares led a discussion on employment during COVID-19 pandemic. The Committee also met on April 21, 2021, and reviewed two new membership applications.

The next PAC meeting is scheduled for May 19, 2021.

#### **K. Legislative and Community Awareness Report**

Ms. Liza Krassner reported that the next Committee meeting is scheduled for July 13, 2021.

**L. ARCA Report**

Ms. Krassner reported that ARCA has formally joined the Lanterman Coalition in support of a letter requesting that a portion of the federal COVID-19 relief funds be allocated to persons served in the areas of direct staff support, housing, long-term systemic needs and service access initiatives.

The next ARCA Board of Directors' meeting is scheduled for June 18, 2021.

**M. Chairperson's Report**

Mr. Wright stated that the next Board of Directors' meeting will be held June 3, 2021.

**II. Adjournment**

Mr. Wright adjourned the meeting at 6:33 p.m.

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Sylvia Delgado, Secretary

*Recorder: Sandra Lomelí*

**Regional Center of Orange County  
Budget & Finance Committee  
Videoconference Minutes  
May 6, 2021**

**Committee Members Present:** Mine Hagen, Chair  
Marcell Bassett  
Amy Jessee (*left at 4:27 p.m.*)  
Sandy Martin  
Fernando Peña  
John “Chip” Wright

**Committee Members Absent:** Cliff Amsden

**Other Board Members Present:** Liza Krassner  
Chinh Nguyen

**RCOC Staff Present:** Bette Baber, Chief Financial Officer  
Larry Landauer, Executive Director  
Arturo Cazares, Associate Director of Employment  
Nancy Franco, Accounting Manager, Operations  
Bonnie Ivers, Clinical Director  
Raudel Perez, Administrator  
Linda Pham, Fiscal Analyst  
Keli Radford, Director of Services and Supports  
Marta Vasquez, Associate Finance Director  
Stacy Wong, Human Resources Director

**Guest:** Roger Bulosan, CPA, CFE

The meeting was called to order at 4:01 p.m.

1. Approval of Monthly Sufficiency of Allocation Reports, February and March 2021

Ms. Marta Vasquez reported that RCOC was projecting a deficiency of \$2.2 million, a reduction of \$6.2 million from the previous projection. RCOC’s projected surplus will be \$6.2 million, if all \$8.4 million of the State Plan Amendment receivables are paid.

M/S/C to approve the monthly SOARs.

2. Approval of Budget Amendment E-5, Fiscal Year 2018-19

Ms. Bette Baber reported that DDS will allocate an additional \$141,006 in the E-5 amendment.

*RCOC Budget and Finance Committee Minutes  
May 6, 2021*

3. Approval of Audited Financial Statements for the Year Ended June 30, 2020

Mr. Roger Bulosan, a partner with the accounting firm of Marcum LLP, presented the audited financial statements.

4. Review of Draft of Form 990, Return of Organization Exempt from Income Tax for the Year Ended June 30, 2020

Mr. Bulosan presented the draft of Form 990.

5. Review of the Department of Developmental Services' Audit for Fiscal Years Ended June 30, 2019 and 2020

Mr. Larry Landauer presented RCOC's response to the audit finding on out-of-state placement.

There was also a discussion about hiring and caseload ratios.

The meeting adjourned at 5:00 p.m.

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

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ACTION   X    
ACTION/CONSENT         
DISCUSSION         
INFO ONLY       

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DATE: June 3, 2021  
TO: Board of Directors  
FROM: Budget and Finance Committee  
SUBJECT: **Approval of Monthly Sufficiency of Allocation Report, April 2021**

BACKGROUND:

Staff presents the monthly sufficiency of allocation report to the Budget and Finance Committee for review and approval. This committee then presents the statement to the Board.

REASON FOR CURRENT ITEM:

The Board has a responsibility to monitor the Center's financial status.

FISCAL IMPACT:

None.

RECOMMENDATION:

That the Board approve the monthly sufficiency of allocation report as presented.

REGIONAL CENTER OF ORANGE COUNTY

MEMORANDUM

Date: May 25, 2021  
To: Board of Directors  
From: Budget and Finance Committee  
Subject: Highlights – April 2021 Sufficiency of Allocation Report (SOAR)

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Purchase of Services (POS)

RCOC is projecting a surplus of \$11.1 million, a reduction of \$13.3 million over the previous projection. RCOC received \$6.3 million in the B-3 budget amendment and RCOC's projections declined by \$7.0 million. RCOC will have a projected surplus of \$19.5 million if all \$8.4 million of the State Plan Amendment receivables are paid.

Although the projection includes the fiscal impact of prior years' and current year's rate increases and the projected cost of 492 persons served who will graduate from school to regional center-funded adult day programs, expenditures for day programs, medical programs and transportation are declining. As reported previously, DDS' authorization to pay vendors for absences that were the direct result of COVID-19 ended on August 31, 2020. Effective September 1, 2020, DDS authorized payment for Alternative Service, which is intended to meet the needs of the persons served, sustain the developmental services provider network and continue receipt of federal reimbursement. It is unknown at this time how long the Centers for Medicare & Medicaid will approve Alternative Service.

Year to date, RCOC's caseload has increased by 116 persons for an annualized caseload growth of 0.6%; the regional center system increased by 5,033 persons for an annualized caseload growth of 1.7%.

Operations

RCOC will be within budget for both Operating Expense and Personal Services.

**Monthly Sufficiency of Allocation Report  
As of April 30, 2021**

	A	B	C	D	E	F	G	H
				SOAR PROJECTED EXPENDITURES (5/10/2021)		VARIANCE		
	B-3 ALLOCATION	ACTUAL SPENT YEAR TO DATE	PROJECTED EXPENDITURES AT "RUN RATE"		(column A-D)/A %	(column A-D) AMOUNT	CHANGE FROM PRIOR MO. REPORTEE	SPENT PRIOR YEAR
PURCHASE OF SERVICE					YEAR TO DATE			
(1) Licensed Residential Care	\$152,843,077	\$121,147,886	\$149,302,222	\$152,843,077	0%	\$0	\$2,187,749	\$123,187,413
(2) Day Care	3,099,487	1,744,812	2,504,816	3,099,487	0%	0	0	2,991,856
(3) Day Training	64,058,837	47,118,631	57,387,467	59,405,463	7%	4,653,374	4,653,374	64,544,654
(4) Habilitation	8,486,789	6,083,031	7,945,566	8,486,789	0%	0	0	8,588,066
(5) Transportation	16,397,167	4,309,822	10,343,573	13,963,577	15%	2,433,590	2,433,590	16,323,331
(6) Respite	44,142,900	30,331,663	42,787,321	44,142,900	0%	0	0	35,811,872
(7) Supported Living	45,782,867	37,200,470	45,137,635	45,782,867	0%	0	0	42,199,888
(8) Non-medical	16,522,410	11,425,271	14,369,898	16,522,410	0%	0	0	14,330,856
(9) Medical	8,558,053	5,244,481	6,421,813	7,280,138	15%	1,277,915	1,277,915	5,558,951
(10) Other	100,369,096	72,669,519	96,892,692	97,647,011	3%	2,722,085	2,722,085	94,473,554
(11) Early Start (Age 0-3)	23,822,005	18,427,814	22,482,238	23,822,005	0%	0	0	27,620,704
(12) Community Placement Plan	3,790,708	0	0	3,790,708	0%	0	0	5,446,002
(13) Purchase of Service Total	487,873,396	355,703,400	455,575,241	476,786,432	2%	11,086,964	13,274,713	441,077,147
<u>OPERATIONS</u>							\$19,520,554	* If all SPA receivables are paid.
(14) Operating Expense (Gross)	7,600,000	5,125,862	6,151,035	7,600,000	0%	0	0	6,550,972
(15) Less Interest Income and SPA Fees	-300,000	-121,130	-145,356	-300,000	0%	0	0	-363,356
(16) Operating Expense (Net)	7,300,000	5,004,732	6,005,679	7,300,000	0%	0	0	6,187,616
(17) Personal Services	42,169,543	30,422,430	36,506,916	42,169,543	0%	0	0	37,466,345
(18) Family Resource Center/Services	269,299	141,275	169,530	269,299	0%	0	0	190,842
(19) Operations Total	49,738,842	35,568,437	42,682,125	49,738,842	0%	0	0	43,844,802
(20) Total	\$537,612,238	\$391,271,837	\$498,257,366	\$526,525,274	0%	\$11,086,964	\$13,274,713	\$484,921,949

\* State Plan Amendment (SPA). Regional centers pay the Day Program and Transportation expenditures for persons who live in Intermediate Care Facilities (ICFs); DDS pays ICFs; ICFs pay regional centers.

\*\* Due to later payment dates, the Spent Year to Date amount (column B) for line items 5 through 10 is approximately one month less than expenditures for Residential Care and Day Training.

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
AS OF APRIL 30, 2021

ASSETS	GENERAL FUND	CUSTODIAL FUND
CURRENT ASSETS		
Petty cash	\$300.00	
Checking	56,633,163.15	
Savings	10,122.98	\$474,115.76
Money market	0.00	
Payroll	264,454.40	
Donations	179,795.04	
Unemployment	538,056.82	
Certificate of deposit	0.00	
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Total current assets	57,625,892.39	474,115.76
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RECEIVABLES		
State claim	62,192,274.41	
Client support revenue	195,085.21	37,054.45
Due from State - prior years	6,499,738.73	
Due from ICF - ICF Supplemental Services	8,178,175.87	
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Total receivables	77,065,274.22	37,054.45
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PREPAID ITEMS		
Deposits	289,582.86	
Prepaid expense	0.00	
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Total prepaid items	289,582.86	0.00
	-----	-----
OTHER ASSETS		
Tenant improvements	467,122.64	
Building acquisition	63,613.98	
	-----	-----
Total other assets	530,736.62	0.00
	-----	-----
TOTAL ASSETS	\$135,511,486.09	\$511,170.21
	=====	=====
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$22,711,033.85	\$195,085.21
Due to State - ICF Supplemental Services	52,522.57	
Loans payable	0.00	
Cash advance	112,030,077.81	
Unemployment insurance	538,056.82	
	-----	-----
Total liabilities	135,331,691.05	195,085.21
	-----	-----
FUND BALANCES		
General	0.00	
Donations	179,795.04	
Custodial		316,085.00
	-----	-----
TOTAL LIABILITIES AND FUND BALANCES	\$135,511,486.09	\$511,170.21
	=====	=====

REGIONAL CENTER OF ORANGE COUNTY  
BRIAN'S FUND  
APRIL 30, 2021

Beginning Balance		\$182,041.75
Donations:		
Richards, Beth	\$100.00	
Loan Payments	779.29	
Interest	0.00	
Disbursements:		
Moving expenses	<u>-3,126.00</u>	
Net Increase (Decrease)		<u>-2,246.71</u>
Ending Balance		<u><u>\$179,795.04</u></u>

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

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ACTION   X    
ACTION/CONSENT         
DISCUSSION         
INFO ONLY       

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DATE: June 3, 2021

TO: Board of Directors

FROM: Budget and Finance Committee

SUBJECT: **Approval of Contract and Preliminary Allocation for Fiscal Year 2021-22**

BACKGROUND:

Each year, ARCA and the Department of Developmental Services (DDS) negotiate a standard contract for adoption by regional centers and DDS. The preliminary allocation is a placeholder budget.

Regional centers usually receive the planning allocation in August. The planning allocation is used to determine the sufficiency or deficiency of the allocation.

REASON FOR CURRENT ITEM:

The preliminary allocation allows regional centers to make cash advance requests for operating funds in the new fiscal year. In order to prevent any disruption in cash flow as well as the expense of drawing from its line of credit, RCOC must return the signed contract and submit the cash advance requests to DDS as soon as the contract is received in June.

FISCAL IMPACT:

Although RCOC does not know at this time what the preliminary allocation will be for fiscal year 2021-22, last fiscal year’s preliminary allocation which was:

Purchase of Service.....	\$336,502,331
Operations.....	\$40,157,768
Total Preliminary Allocation .....	\$376,660,099

RECOMMENDATION:

That the Board authorize the Chairperson to execute the contract upon receipt.

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

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ACTION   X    
ACTION/CONSENT         
DISCUSSION         
INFO ONLY       

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DATE: June 3, 2021

TO: Board of Directors

FROM: Budget and Finance Committee

SUBJECT: **Approval of Budget Amendment B-3, Fiscal Year 2020-21**

BACKGROUND:

Periodically, budget amendments are required to distribute and reallocate funds among regional centers or to change contract language. These amendments are numbered successively, e.g., B-1, B-2, etc.

REASON FOR CURRENT ITEM:

The Department of Developmental Services (DDS) will allocate an additional \$7.9 million to RCOC in the B-3 amendment.

FISCAL IMPACT:

Operations .....	\$50,000
Purchase of Service .....	\$6,325,086
CPP/CRDP .....	\$1,557,214
Total .....	\$7,932,300

RECOMMENDATION:

That the Board authorize the Chairperson to execute the budget amendment upon receipt.

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

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ACTION   X    
ACTION/CONSENT         
DISCUSSION         
INFO ONLY       

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DATE: June 3, 2021

TO: Board of Directors

FROM: Budget and Finance Committee

SUBJECT: **Approval of CalPERS Requirement for a Publicly Available Pay Schedule Effective June 3, 2021**

BACKGROUND:

Effective August 10, 2011, the California Code of Regulations, Title 2, Section 570.5, required California Public Employees' Retirement System's (CalPERS's) employers to have pay rates approved by the employer's governing body and pay schedules publicly available. Since February 2, 2011, RCOC has posted its pay schedule on its website and the Board last approved the pay schedule at its meeting on November 5, 2020.

REASON FOR CURRENT ITEM:

The attached salary schedule includes new titles: Self-Determination Program Coordinator and Payables Coordinator.

The Self-Determination Program (SDP) is a voluntary delivery system consisting of a defined and comprehensive mix of services and supports, selected and directed by a participant through person-centered planning, in order to meet the objectives in their IPP. Self-determination services and supports are designed to assist the participant to achieve personally defined outcomes in community settings that promote inclusion. The regional center system is at the end of a three-year phase-in period. Following the phase-in period, the program will be available on a voluntary basis to all regional center persons served. RCOC is preparing for more participants in SDP.

Effective January 1, 2021, the California minimum wage increased from \$13 to

\$14 per hour; it will increase again from \$14 to \$15 effective January 1, 2022. The Wall Street Journal reported recently that “U.S. companies of all sizes are struggling to fill jobs as surging demand and a reluctant labor force have resulted in a shortage of available workers.” RCOC has this problem for entry-level positions in Accounting. RCOC is waiting for the 2021-22 planning allocation to determine market adjustments to its salary ranges. RCOC will receive the planning allocation in late August or early September. Between now and then, RCOC may need to hire and/or retain entry-level employees at higher wage rates.

FISCAL IMPACT:

SDP Coordinator is a new title; the annual salary range is from \$74,055 to \$92,380.

Payables Coordinator is a new title. RCOC will only use the new title if it is unable to hire or needs to offer entry-level employees higher wages to retain them. The annual salary range is from \$40,292 to \$47,075.

RECOMMENDATION:

That the Board approve the salary schedule for RCOC’s employees effective June 3, 2021.

Agenda Item III.C.-.2.d.

		Minimum	Midpoint	Maximum
EXECUTIVE DIRECTOR	HR	<b>96.19</b>	<b>107.19</b>	<b>118.18</b>
	BW	7,695.41	8,574.97	9,454.54
	MO	16,673.38	18,579.11	20,484.83
	YR	200,080.61	222,949.27	245,817.94
MEDICAL DIRECTOR PHYSICIAN	HR	<b>66.73</b>	<b>85.91</b>	<b>105.10</b>
	BW	5,338.05	6,873.13	8,408.21
	MO	11,565.77	14,891.77	18,217.78
	YR	138,789.22	178,701.29	218,613.36
CHIEF FINANCIAL OFFICER GENERAL COUNSEL	HR	<b>66.73</b>	<b>81.73</b>	<b>96.73</b>
	BW	5,338.05	6,538.13	7,738.22
	MO	11,565.77	14,165.95	16,766.14
	YR	138,789.22	169,991.43	201,193.63
CONSULTING PHARMACIST DIRECTOR: Clinical, HR, IT Services and Supports	HR	<b>56.72</b>	<b>66.81</b>	<b>76.90</b>
	BW	4,537.20	5,344.59	6,151.98
	MO	9,830.61	11,579.95	13,329.30
	YR	117,967.29	138,959.42	159,951.54
MANAGER, AREA ASSOCIATE DIRECTOR: Employment, Finance, Housing, IT	HR	<b>42.53</b>	<b>49.57</b>	<b>56.62</b>
	BW	3,402.08	3,965.68	4,529.29
	MO	7,371.17	8,592.32	9,813.47
	YR	88,453.99	103,107.79	117,761.59
MANAGER: Nursing PSYCHOLOGIST, THERAPIST: Occupational, Physical Speech	HR	<b>41.57</b>	<b>48.97</b>	<b>56.36</b>
	BW	3,325.45	3,917.20	4,508.96
	MO	7,205.14	8,487.27	9,769.41
	YR	86,461.65	101,847.29	117,232.93
CHIEF COUNSELOR, CONTROLLER ADMINISTRATOR, MANAGER: Custodian of Records, Fair Hearings, Network Risk, Safety Net and Resource Development	HR	<b>34.44</b>	<b>40.01</b>	<b>45.59</b>
	BW	2,755.37	3,201.19	3,647.00
	MO	5,969.96	6,935.90	7,901.84
	YR	71,639.57	83,230.83	94,822.08
CLERK TO THE BOARD MANAGER: Family Support/Comm. Outreach NURSE CONSULTANT, PCT COOR. SPECIALIST: Federal Programs and Benefits	HR	<b>35.85</b>	<b>40.27</b>	<b>44.69</b>
	BW	2,867.91	3,221.61	3,575.30
	MO	6,213.80	6,980.15	7,746.49
	YR	74,565.65	83,761.77	92,957.89
BCBA Masters COORDINATOR: Self-Determination Program	HR	<b>35.60</b>	<b>40.01</b>	<b>44.41</b>
	BW	2,848.28	3,200.67	3,553.07
	MO	6,171.27	6,934.79	7,698.32
	YR	74,055.25	83,217.52	92,379.78
AREA SUPERVISOR, RESOURCE GROUP LEADER, MANAGER: Accounting, IT PROGRAMMER ANALYST, TRAINING COORDINATOR	HR	<b>28.13</b>	<b>35.42</b>	<b>42.72</b>
	BW	2,250.06	2,833.84	3,417.62
	MO	4,875.12	6,139.98	7,404.84
	YR	58,501.48	73,679.75	88,858.02
COORDINATOR: Lead Service Federal Programs and Benefits	HR	<b>28.00</b>	<b>34.96</b>	39.81
	BW	2,240.00	2,796.50	3,185.00
	MO	4,853.33	6,059.08	6,900.83
	YR	58,240.00	72,709.00	82,810.01
SERVICE COORDINATOR, HCBS COOR. ACCOUNTANT, ACCOUNTING SUP. CULTURAL SPECIALIST/COMM. OUT. EXECUTIVE LIAISON; HR SPECIALIST	HR	<b>28.00</b>	<b>32.52</b>	<b>37.03</b>
	BW	2,240.00	2,601.40	2,962.79
	MO	4,853.33	5,636.36	6,419.38
	YR	58,240.00	67,636.28	77,032.57
ASSOCIATE PROGRAMMER ANALYST COORDINATOR: IT, Quality Assurance, Systems	HR	<b>22.75</b>	<b>27.42</b>	<b>32.08</b>
	BW	1,819.94	2,193.21	2,566.48
	MO	3,943.21	4,751.96	5,560.70
	YR	47,318.54	57,023.46	66,728.38
COORDINATOR: Fiscal, SIR, Vendor SPECIALIST: HRG, Intake	HR	<b>21.38</b>	<b>23.65</b>	<b>25.92</b>
	BW	1,710.21	1,891.72	2,073.23
	MO	3,705.46	4,098.72	4,491.99
	YR	44,465.46	49,184.68	53,903.90
COORDINATOR: Community Resources, Fair Hearing, Imaging, Operations, Payables Support Services SPECIALIST: IT	HR	<b>19.37</b>	<b>21.00</b>	<b>22.63</b>
	BW	1,549.69	1,680.13	1,810.58
	MO	3,357.65	3,640.29	3,922.92
	YR	40,291.84	43,683.47	47,075.09
TECHNICIAN: Accounting, Area, IT, Intake Scanning, Technical Assistant, Receptionist Account Clerk	HR	<b>15.54</b>	<b>17.77</b>	<b>20.01</b>
	BW	1,243.07	1,421.96	1,600.84
	MO	2,693.31	3,080.90	3,468.50
	YR	32,319.74	36,970.85	41,621.95
PEER ADVOCATE Office Aide	HR	<b>14.00</b>	<b>14.50</b>	<b>15.00</b>
	BW	1,120.00	1,160.00	1,200.00
	MO	2,426.67	2,513.33	2,600.00
	YR	29,120.00	30,160.00	31,200.00



## Summary of Information About Persons Served - April 2021

<b>NUMBER OF PERSONS SERVED</b>	<b>20,592</b>	<b>100%</b>
Children - Birth to Age Three Receiving Early Start Services	3,212	16%
Children - Ages Three to 17 Receiving Lanterman Services	7,116	35%
Adults - Ages 18 and Older Receiving Lanterman Services	10,264	50%

<b>Children - Birth to Age Three Receiving Prevention Resource and Referral Services</b>	<b>489</b>
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*Children and Adults - Ages Three and Older Receiving Lanterman Services with the Following Diagnoses:*

Intellectual Disability	11,725	61%
Epilepsy	2,887	15%
Cerebral Palsy	2,591	13%
Autism	8,256	42%
Fifth Category*	1,604	8%

\* condition closely related to intellectual disability and requiring similar treatment

*Note: Many persons served have more than one diagnosis so the percentage equals more than 100%.*

<b>NUMBER OF PERSONS REQUESTING ELIGIBILITY DETERMINATION</b>	<b>340</b>
Early Start / Under Age Three / 45 days to complete determination	287
Lanterman / Over Age Three / 120 days to complete determination	53

<b>NUMBER OF PERSONS DETERMINED ELIGIBLE</b>	<b>28</b>
Children - Birth to Age Three Eligible for Early Start Services	0
Children and Adults - Ages Three and Older Eligible for Lanterman Services	24
<ul style="list-style-type: none"> <li>• Number of children who received Early Start services</li> </ul>	30
<ul style="list-style-type: none"> <li>• Number of children who received Early Start services and had a diagnosis of autism</li> </ul>	18
Children - Birth to Age Three Eligible for Prevention Resource and Referral Services	4

<b>NUMBER OF CHILDREN NO LONGER ELIGIBLE FOR EARLY START OR PREVENTION RESOURCE AND REFERRAL SERVICES</b>	<b>235</b>
Children - Age Three No Longer Eligible for Early Start Services	168
Children - Age Three No Longer Eligible for Prevention Resource and Referral Services	0

# REGIONAL CENTER OF ORANGE COUNTY



## OPERATIONS REPORT

### APRIL 2021 ACTIVITY

#### *Mission Statement*

*The Regional Center of Orange County (RCOC) is a private non-profit organization that, as mandated by the Lanterman Developmental Disabilities Services Act, collaborates with persons with developmental disabilities, their families and the community to secure individualized services and supports that enhance the quality of life for the people we serve and assist them in realizing their full potential.*

## COMMUNITY LIFE

### Related Guiding Principles

- *Persons served are in safe and supportive settings that promote a life of independence, acknowledge diverse cultural perspectives and that respect the inherent risks and valuable learning experiences that come from living in the community.*

### Provider Monitoring, Technical Support and Special Incident Investigation Activities Fiscal Year 2020-21

Type and Number of Reviews	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
Annual Review	0	0	1	5	3	5
Unannounced	0	0	8	4	2	4
<b>Total Number of Reviews</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>9</b>	<b>5</b>	<b>9</b>

Provider Trainings	0	0	0	0	0	0
Technical Support	79	73	36	62	52	65
Corrective Action Plans	2	1	1	4	0	1
Special Incident Investigations*	23	15	24	13	15	18
COVID-19 Checklist	101	85	71	81	62	71

Type and Number of Reviews	Jan.	Feb.	Mar.	Apr.	May	June	Total
Annual Review	1	1	1	1			<b>18</b>
Unannounced	6	4	20	8			<b>56</b>
<b>Total Number of Reviews</b>	<b>7</b>	<b>5</b>	<b>21</b>	<b>9</b>			<b>74</b>

Provider Trainings	0	0	0	0			<b>0</b>
Technical Support	52	56	74	53			<b>602</b>
Corrective Action Plans	0	1	0	0			<b>10</b>
Special Incident Investigations*	7	14	17	37			<b>183</b>

\* California Code of Regulations, Title 17, Division 2, Chapter 3 - Community Services SubChapter 2 - Vendorization Article 2 - Vendorization Process, Section 54327 requires all vendors, excluding parents and consumers, to report the following special incidents.

Type of Special Incidents (from California Code of Regulations, Title 17)

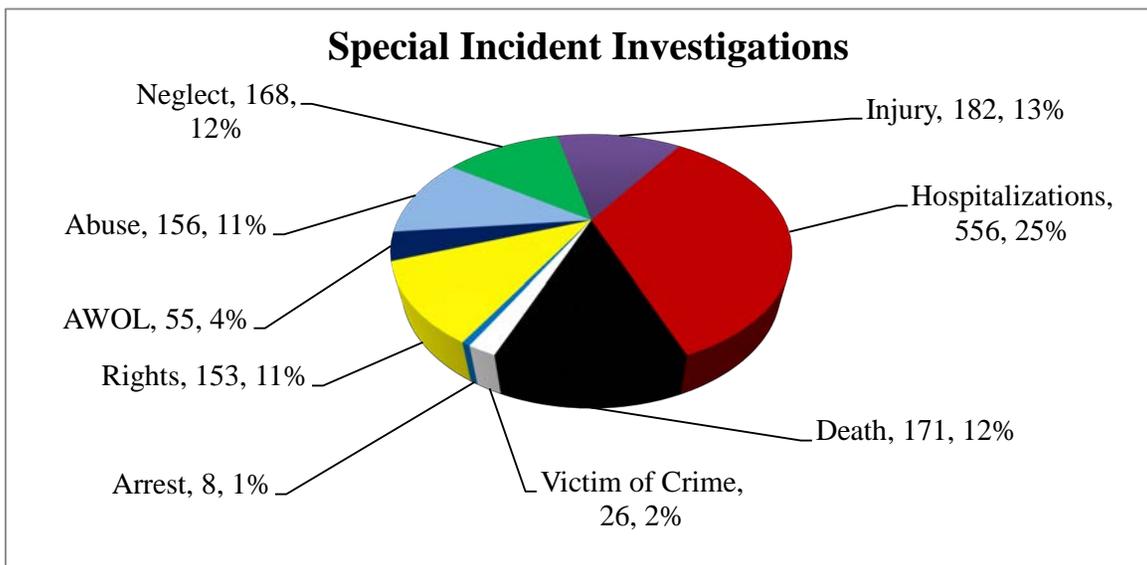
- (A) The consumer is missing and the vendor or long-term health care facility has filed a missing persons report with a law enforcement agency;
  - (B) Reasonably suspected abuse/exploitation including:
    - 1. Physical;
    - 2. Sexual;
    - 3. Fiduciary;
    - 4. Emotional/mental; or
    - 5. Physical and/or chemical restraint.
  - (C) Reasonably suspected neglect including failure to:
    - 1. Provide medical care for physical and mental health needs;
    - 2. Prevent malnutrition or dehydration;
    - 3. Protect from health and safety hazards;
    - 4. Assist in personal hygiene or the provision of food, clothing or shelter or
    - 5. Exercise the degree of care that a reasonable person would exercise in the position of having the care and custody of an elder or a dependent adult.
  - (D) A serious injury/accident including:
    - 1. Lacerations requiring sutures or staples;
    - 2. Puncture wounds requiring medical treatment beyond first aid;
    - 3. Fractures;
    - 4. Dislocations;
    - 5. Bites that break the skin and require medical treatment beyond first aid;
    - 6. Internal bleeding requiring medical treatment beyond first aid;
    - 7. Any medication errors;
    - 8. Medication reactions that require medical treatment beyond first aid; or
    - 9. Burns that require medical treatment beyond first aid.
  - (E) Any unplanned or unscheduled hospitalization due to the following conditions:
    - 1. Respiratory illness, including but not limited, to asthma; tuberculosis; and chronic obstructive pulmonary disease;
    - 2. Seizure-related;
    - 3. Cardiac-related, including but not limited to, congestive heart failure; hypertension; and angina;
    - 4. Internal infections, including but not limited to, ear, nose and throat; gastrointestinal; kidney; dental; pelvic; or urinary tract;
    - 5. Diabetes, including diabetes-related complications;
    - 6. Wound/skin care, including but not limited to, cellulitis and decubitus;
    - 7. Nutritional deficiencies, including but not limited to, anemia and dehydration; or
    - 8. Involuntary psychiatric admission;
- (2) The following special incidents regardless of when or where they occurred:
- (A) The death of any consumer, regardless of cause;
  - (B) The consumer is the victim of a crime including the following:
    - 1. Robbery, including theft using a firearm, knife, or cutting instrument or other dangerous weapons or methods which force or threaten a victim;
    - 2. Aggravated assault, including a physical attack on a victim using hands, fist, feet or a firearm, knife or cutting instrument or other dangerous weapon;
    - 3. Larceny, including the unlawful taking, carrying, leading, or riding away of property, except for motor vehicles, from the possession or constructive possession of another person;
    - 4. Burglary, including forcible entry; unlawful non-forcible entry; and, attempted forcible entry of a structure to commit a felony or theft therein;
    - 5. Rape, including rape and attempts to commit rape.

Title 17 does not require reporting on arrest or consumer rights violations; however, RCOG includes arrest and rights violations as reportable incidents.

**Type and Number of Special Incident Investigations**  
*Fiscal Year 2020-21*

Type of Incident	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
AWOL	5	4	0	9	5	7
Abuse	21	29	14	15	13	12
Neglect	23	18	12	17	15	19
Injury	8	20	21	16	18	17
Hospitalizations - Total	54	40	36	37	41	52
<i>Psychiatric</i>	10	8	7	8	6	6
<i>Medical</i>	44	32	29	29	35	46
Death	12	15	6	13	17	35
Victim of crime	2	2	0	5	3	1
Arrest	4	1	1	0	1	0
Rights	11	5	46	14	20	7
<b>Total</b>	<b>140</b>	<b>134</b>	<b>136</b>	<b>114</b>	<b>124</b>	<b>150</b>

Type of Incident	Jan.	Feb.	Mar.	Apr.	May	June	Total
AWOL	4	7	6	8			55
Abuse	11	5	18	18			156
Neglect	15	11	24	14			168
Injury	17	18	25	22			182
Hospitalizations - Total	70	58	52	45			485
<i>Psychiatric</i>	6	2	11	10			74
<i>Medical</i>	64	56	41	35			411
Death	28	19	15	11			171
Victim of Crime	4	0	4	5			26
Arrest	0	1	0	0			8
Rights	7	4	13	26			153
<b>Total</b>	<b>156</b>	<b>123</b>	<b>157</b>	<b>149</b>			<b>1,404</b>



**COMMUNITY LIFE continued**

**Provider Audits**  
*Fiscal Year 2020-21*

*Number of Audits / Appeals / Recoveries*

<b>Type of Audit</b>	<b>Jul.</b>	<b>Aug.</b>	<b>Sept.</b>	<b>Oct.</b>	<b>Nov.</b>	<b>Dec.</b>
Service Billing	0	0	0	1	0	0
Staffing	0	0	0	0	0	0
Level 4I Consultant	0	0	0	0	0	0
P&I (consumer funds)	0	0	0	0	0	0
<b>Total Number of Audits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>

*Number of Appeals / Recoveries (Vendors may appeal after monthly data is reported)*

State Appeal	0	0	0	0	0	0
Recovery	0	0	0	1	0	0

*Audit Findings (Dollar Amount)*

<i>Amount of Recovery</i>	\$0.00	\$0.00	\$0.00	\$342.48	\$0.00	\$0.00
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<b>Type of Audit</b>	<b>Jan.</b>	<b>Feb.</b>	<b>Mar.</b>	<b>Apr.</b>	<b>May</b>	<b>June</b>	<b>Total</b>
Service Billing	1	3	0	0			<b>5</b>
Staffing	0	0	5	0			<b>5</b>
Level 4I Consultant	0	0	2	0			<b>2</b>
P&I (consumer funds)	0	2	0	0			<b>2</b>
<b>Total Number of Audits</b>	<b>1</b>	<b>5</b>	<b>7</b>	<b>0</b>			<b>14</b>

*Number of Appeals / Recoveries*

State Appeal	0	0	0	0			<b>0</b>
Recovery	1	5	7	0			<b>14</b>

*Audit Findings (Dollar Amount)*

<i>Amount of Recovery</i>	\$197.54	\$2,464.27	\$19,706.03	\$0.00			<b>\$22,710.32</b>
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## FAMILY SUPPORTS

### Related Guiding Principles

- *Families are informed advocates for their loved ones with developmental disabilities.*
- *Families are the decision makers for their minor children.*
- *Family support services are flexible and innovative in meeting the family's needs as they evolve over time, are tailored to the preferences of the individual family, and are consistent with their cultural norms and customs.*
- *Services and supports for families recognize, facilitate and build on family strengths, natural supports and existing community resources.*

### *Fiscal Year 2020-21*

#### Number of Authorizations for Voucher Services

Type of Service	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
Day Care - Family Member	118	123	134	126	124	116
Diapers - Family Member	1	0	0	0	0	0
Nursing Service - Family Member	64	66	65	63	65	65
Respite Service - Family Member	539	579	584	583	599	591
Transportation - Family Member	144	141	130	123	118	115
<b><i>Total Number of Voucher Authorizations</i></b>	<b><i>866</i></b>	<b><i>909</i></b>	<b><i>913</i></b>	<b><i>895</i></b>	<b><i>906</i></b>	<b><i>887</i></b>

#### Number of Authorizations for Voucher Services

Type of Service	Jan.	Feb.	Mar.	Apr.	May	June
Day Care - Family Member	114	115	117	117		
Diapers - Family Member	0	0	0	0		
Nursing Service - Family Member	67	67	69	70		
Respite Service - Family Member	601	600	625	627		
Transportation - Family Member	110	108	106	110		
<b><i>Total Number of Voucher Authorizations</i></b>	<b><i>892</i></b>	<b><i>890</i></b>	<b><i>917</i></b>	<b><i>924</i></b>	<b><i>0</i></b>	<b><i>0</i></b>

## FAMILY SUPPORTS

### Related Guiding Principles

- Family support services are flexible and innovative in meeting the family’s needs as they evolve over time, are tailored to the preferences of the individual family, and are consistent with their cultural norms and customs.
- Services and supports for families recognize, facilitate and build on family strengths, natural supports and existing community resources.

### Notifications of Community Events and Activities

*Fiscal Year 2020-21*

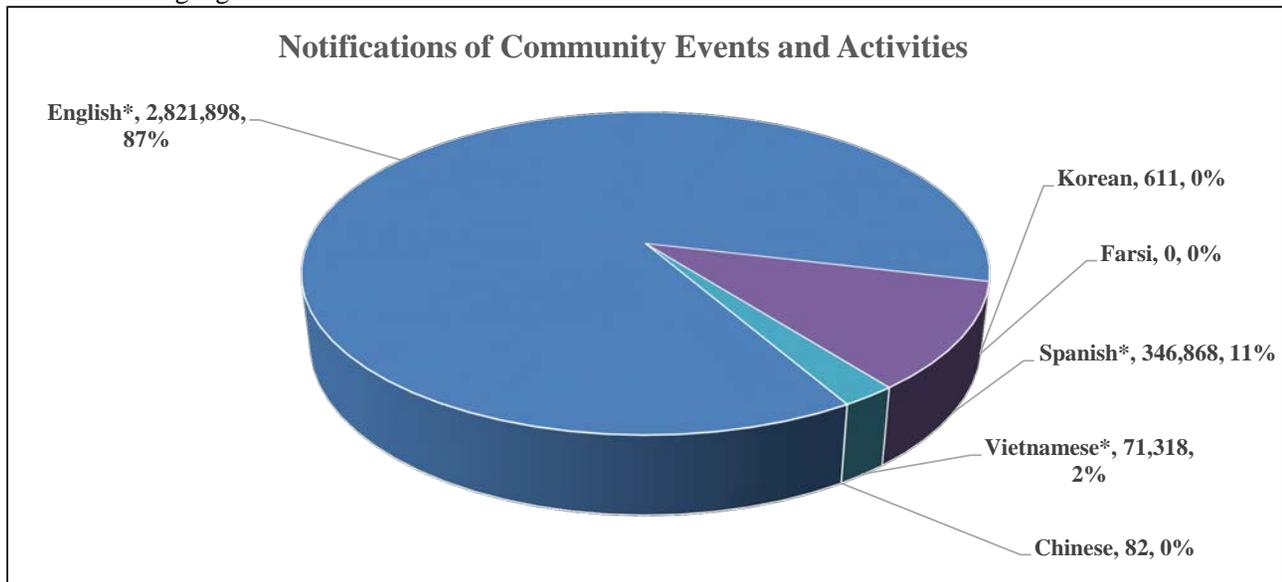
#### Number of Notifications

Language	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
English*	366,027	256,675	156,079	319,106	304,436	259,368
Farsi						
Korean						
Spanish*	48,802	25,874	17,168	51,804	28,192	31,505
Vietnamese*	12,469	9,091	2,504	4,596	4,901	5,765
<b>Total Number of Notifications</b>	<b>427,298</b>	<b>291,640</b>	<b>175,751</b>	<b>375,506</b>	<b>337,529</b>	<b>296,638</b>

#### Number of Notifications

Language	Jan.	Feb.	Mar.	Apr.	May	June	Total
English*	308,530	233,364	326,876	291,437			2,821,898
Farsi							0
Korean				611			611
Spanish*	24,155	35,909	44,341	39,118			346,868
Vietnamese*	5,065	7,406	10,451	9,070			71,318
Chinese				82 Cambodian			82
<b>Total Number of Notifications</b>	<b>337,750</b>	<b>276,679</b>	<b>381,668</b>	<b>340,318</b>	<b>0</b>	<b>0</b>	<b>3,240,695</b>

\* Threshold languages for RCOC



## FAMILY SUPPORTS

### Related Guiding Principles

- Family support services are flexible and innovative in meeting the family's needs as they evolve over time, are tailored to the preferences of the individual family, and are consistent with their cultural norms and customs.
- Services and supports for families recognize, facilitate and build on family strengths, natural supports and existing community resources.

### Community Outreach

*Fiscal Year 2020-21*

#### Number of Outreach Events

Type of Outreach / Language	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
<b>In Person</b>						
English		3	6	6	5	2
Spanish	1	4	1	1		
Vietnamese	2	2				
Other Languages						
<b>In Print</b>						
English	1		1	1	1	
Spanish					1	
Vietnamese				1	1	
Other Languages						
<b>TV / Radio</b>						
English			1			1
Spanish						
Vietnamese						
Other Languages						
<b>Total Number of Outreach Events</b>	<b>4</b>	<b>9</b>	<b>8</b>	<b>9</b>	<b>8</b>	<b>3</b>

#### Number of Outreach Events

Language	Jan.	Feb.	Mar.	Apr.*	May*	June*	Total
<b>In Person</b>							
English	2	10	5	7			<b>46</b>
Spanish			2	3			<b>12</b>
Vietnamese			3	2			<b>9</b>
Other Languages							<b>0</b>
<b>In Print</b>							
English		2	9	3			<b>18</b>
Spanish			1				<b>2</b>
Vietnamese				1			<b>3</b>
Other Languages							<b>0</b>
<b>TV / Radio</b>							
English							<b>2</b>
Spanish							<b>0</b>
Vietnamese							<b>0</b>
Other Languages							<b>0</b>
<b>Total Number of Outreach Events</b>	<b>2</b>	<b>12</b>	<b>20</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>92</b>

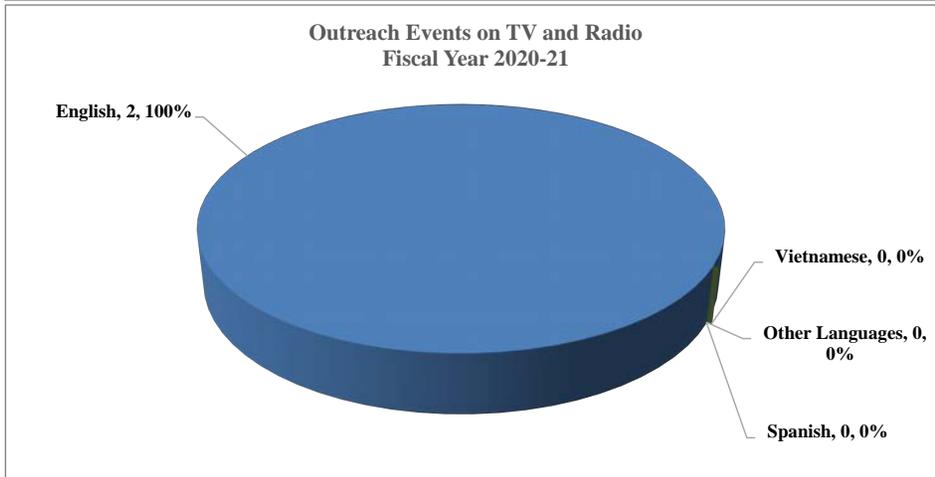
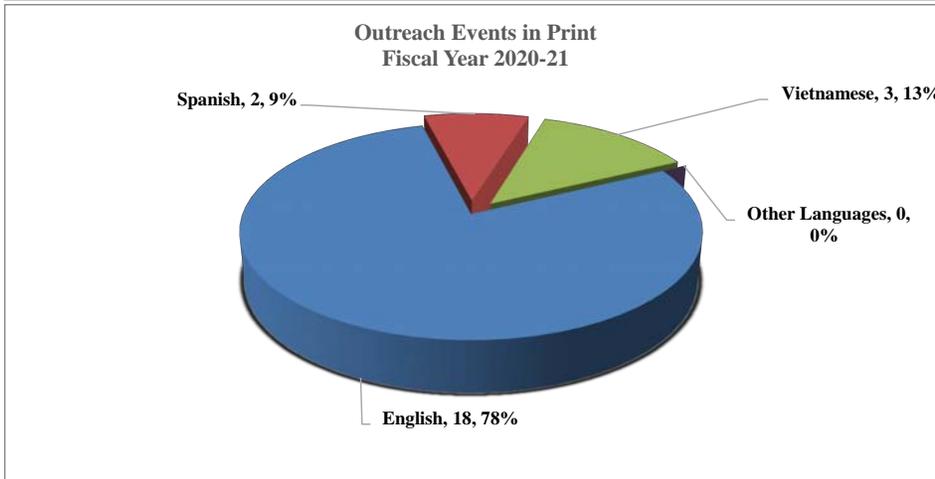
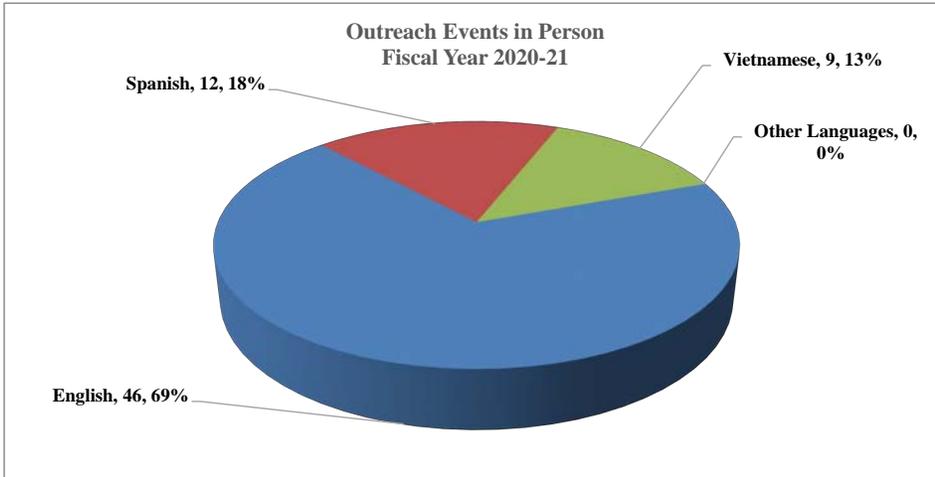
\* Virtual Meetings

## FAMILY SUPPORTS

### Related Guiding Principles

- *Family support services are flexible and innovative in meeting the family's needs as they evolve over time, are tailored to the preferences of the individual family, and are consistent with their cultural norms and customs.*
- *Services and supports for families recognize, facilitate and build on family strengths, natural supports and existing community resources.*

### Community Outreach Events in Person, in Print, on TV and Radio Fiscal Year 2020-21



## EARLY INTERVENTION / PREVENTION

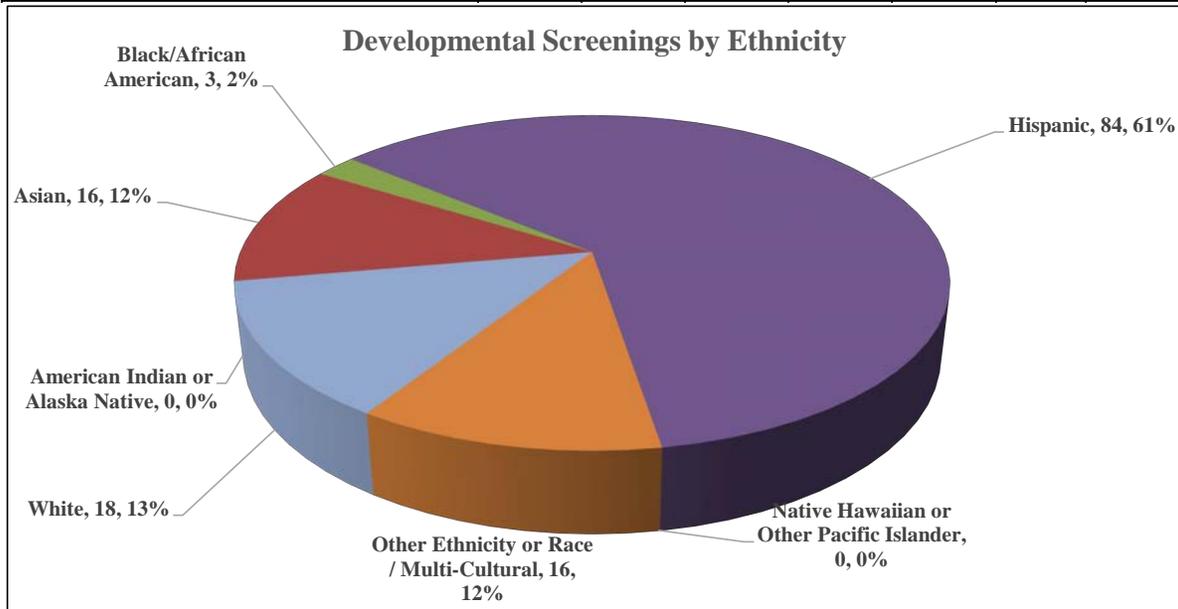
### Related Guiding Principles

- Prevention and early intervention services, supports and public awareness activities are designed and implemented to prevent the onset of a disability and/or to improve developmental outcomes.
- Persons served are provided with needed services and supports in a family-focused and collaborative fashion.

### Fiscal Year 2020-21

Developmental Screenings by Ethnicity	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
American Indian or Alaska Native	0	0	0	0	0	0
Asian	1	4	0	1	0	0
Black/African American	0	0	0	3	0	0
Hispanic	5	14	0	21	0	0
Native Hawaiian or Other Pacific Islander	0	0	0	0	0	0
Other Ethnicity or Race / Multi-Cultural	2	2	0	8	0	0
White	1	6	0	3	0	0
<b>Total Number Screened</b>	<b>9</b>	<b>26</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>0</b>
<b>Total Number Referred to RCOC</b>	<b>6</b>	<b>15</b>	<b>0</b>	<b>14</b>	<b>0</b>	<b>0</b>

Developmental Screenings by Ethnicity	Jan.	Feb.	Mar.	Apr.	May	June	Total
American Indian or Alaska Native	0	0	0	0			<b>0</b>
Asian	2	3	0	5			<b>16</b>
Black/African American	0	0	0	0			<b>3</b>
Hispanic	4	13	0	27			<b>84</b>
Native Hawaiian or Other Pacific Islander	0	0	0	0			<b>0</b>
Other Ethnicity or Race / Multi-Cultural	0	3	0	1			<b>16</b>
White	4	0	0	4			<b>18</b>
<b>Total Number Screened</b>	<b>10</b>	<b>19</b>	<b>0</b>	<b>37</b>			<b>137</b>
<b>Total Number Referred to RCOC</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>6</b>			<b>46</b>

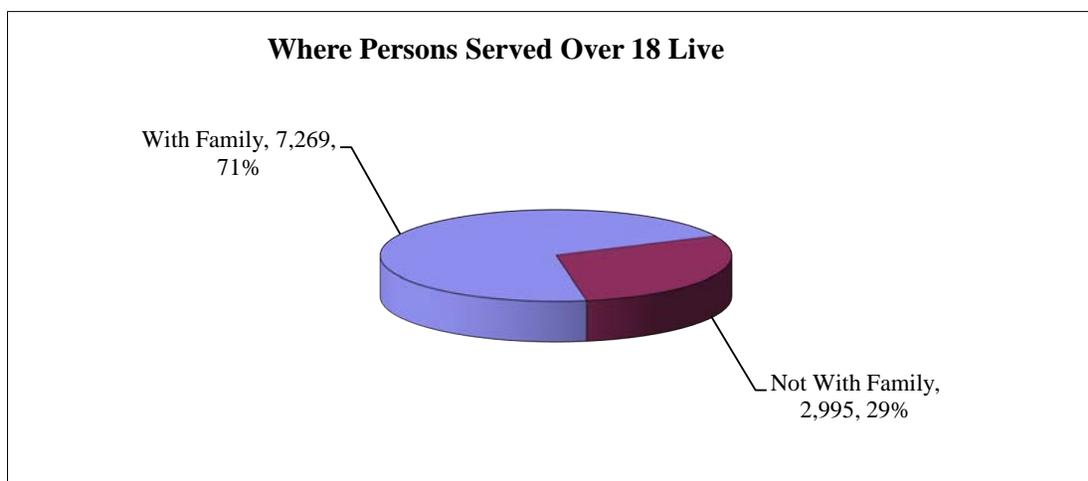
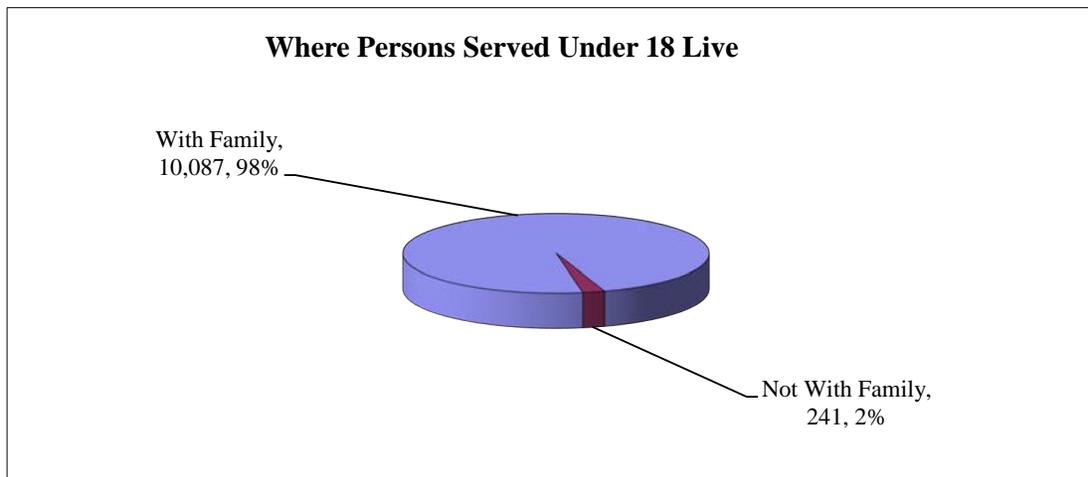


## LIVING OPTIONS

### Related Guiding Principles

- *Culturally-sensitive services and supports are provided so that persons served can make informed choices on where and with whom they live, including owning or renting their own homes.*
- *Families whose minor or adult children choose to remain in the family home are supported through available resources.*
- *Persons served live in homes where they receive quality care and can form relationships.*

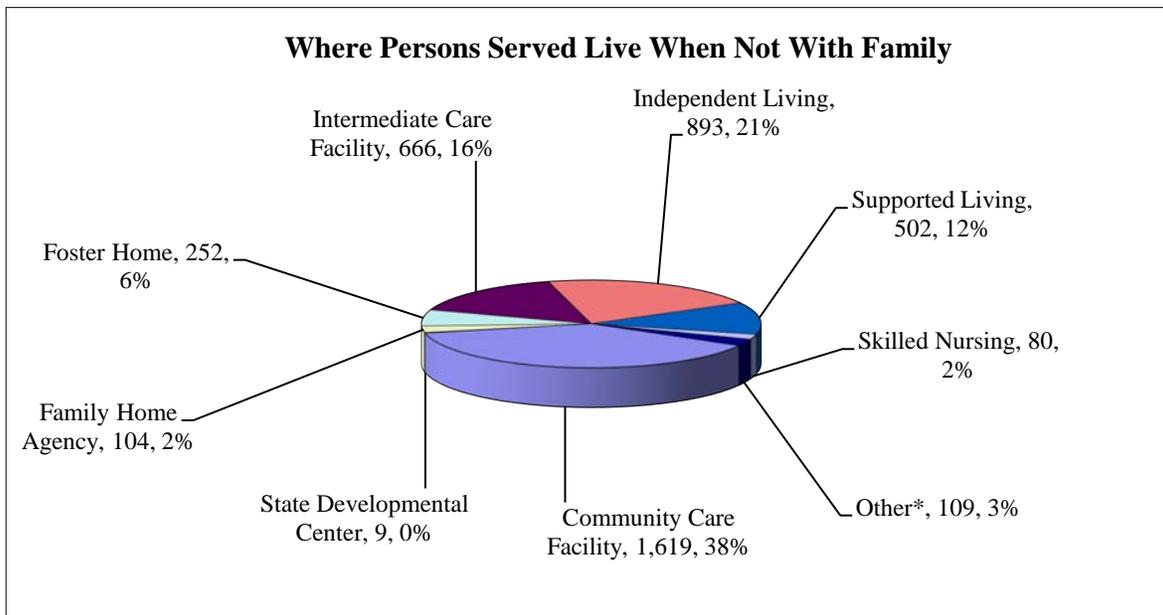
Where Persons Served Live	Persons Served All	Persons Served Under 18	Persons Served Over 18
With Family	17,356	10,087	7,269
Not With Family	3,236	241	2,995
<b>Totals</b>	<b>20,592</b>	<b>10,328</b>	<b>10,264</b>



**LIVING OPTIONS, continued**

Where Persons Served Live	All Persons Served	Persons Served Under 18	Persons Served Over 18
Family Home	18,398	10,138	8,260
Community Care Facility	1,619	29	1,590
State Developmental Center	9	0	9
Family Home Agency	104	0	104
Foster Home	252	245	7
Intermediate Care Facility	666	5	661
Independent Living	893	0	893
Supported Living	502	0	502
Skilled Nursing	80	0	80
Other*	109	26	77
<b>Total</b>	<b>22,632</b>	<b>10,443</b>	<b>12,183</b>

<b>Other*</b>			
Acute General Hospital	4	0	4
California Youth Authority	0	0	0
Community Treatment	2	1	1
Correctional Institution	0	0	0
County Jail	2	1	1
Other	0	0	0
Out of State	3	0	3
Psychiatric Treatment	12	2	10
Rehabilitation Center	5	1	4
SDC / State Hospital	0	0	0
Sub-Acute	46	20	26
Transient / Homeless	14	0	14
<b>Total, Other*</b>	<b>88</b>	<b>25</b>	<b>63</b>



## LIVING OPTIONS, continued

### Other Living Options

#### Family Home Agency

A Family Home Agency (FHA) is a private, not-for-profit agency that is vendored to recruit, approve, train, and monitor family home providers, provide services and supports to family home providers, and assist persons served with moving into or relocating from family homes.

#### Foster Family Agency

Under the California Department of Social Services, county placement agencies use licensed, private Foster Family Agencies (FFAs) for the placement of children. By statute, FFAs are organized and operated on a non-profit basis and are engaged in the following activities: recruiting, certifying, and training foster parents, providing professional support to foster parents, and finding homes or other temporary or permanent placements for children who require more intensive care.

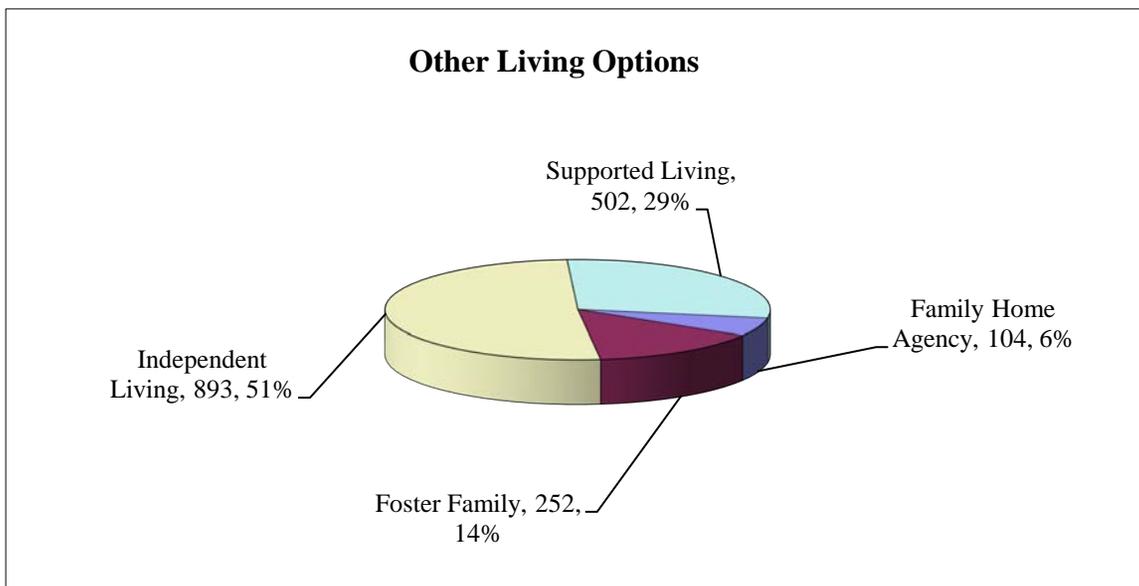
#### Independent Living

Independent Living services help persons served over 18 with the functional skills necessary to secure a self-sustaining, independent living situation in the community and/or may provide the support necessary to maintain those skills.

#### Supported Living

Supported Living Services (SLS) support efforts for persons served to live in their own home.

<b>Other Living Options</b>	<b>Total</b>	<b>Under 18</b>	<b>Over 18</b>
Family Home Agency	104	0	104
Foster Family	252	245	7
Independent Living	893	0	893
Supported Living	502	0	502
<b>Total</b>	<b>1,751</b>	<b>245</b>	<b>1,506</b>



## LIVING OPTIONS, continued

### **Living Options, facilities licensed by the State of California, Departments of Community Care Licensing, or Department of Health Care Services**

#### *Health Licensed Facilities*

Health facilities are licensed by the State of California, Department of Health Services to provide 24-hour medical residential care. Health facilities are funded by Medi-Cal. Health licensed facilities

General Acute Care Hospitals,  
Acute Psychiatric Hospitals,  
Skilled Nursing Facilities,  
Intermediate Care Facilities,  
Intermediate Care Facility – Developmentally Disabled,  
Intermediate Care Facility – Developmentally Disabled, – Habilitative,  
Intermediate Care Facility – Developmentally Disabled, – Nursing,  
Home Health Agencies and  
Congregate Living Health Facilities.

#### *Community Care Licensed Facilities*

Community Care Facilities (CCFs) are licensed by the State of California, Department of Social Services, Community Care Licensing Division to provide 24-hour non-medical residential care to children and adults with developmental disabilities who are in need of personal services, supervision, and/or assistance essential for self-protection or sustaining the activities of daily living. CCFs are funded by regional centers. Based upon the types of services provided and the persons served, each CCF vendored by a regional center is designated one of the following service levels:

*SERVICE LEVEL 1:* Limited care and supervision for persons with self-care skills and no behavior problems.

*SERVICE LEVEL 2:* Care, supervision, and incidental training for persons with some self-care skills and no major behavior problems.

*SERVICE LEVEL 3:* Care, supervision, and ongoing training for persons with significant deficits in self-help skills, and/or some limitations in physical coordination and mobility, and/or disruptive or self-injurious behavior.

*SERVICE LEVEL 4:* Care, supervision, and professionally supervised training for persons with deficits in self-help skills, and/or severe impairment in physical coordination and mobility, and/or severely disruptive or self-injurious behavior. Service Level 4 is subdivided into Levels 4A through 4I, in which staffing levels are increased to correspond to the escalating severity of disability levels.

## LIVING OPTIONS, continued

### Persons Served Who Reside in Licensed Facilities Funded by RCOC Fiscal Year 2020-21

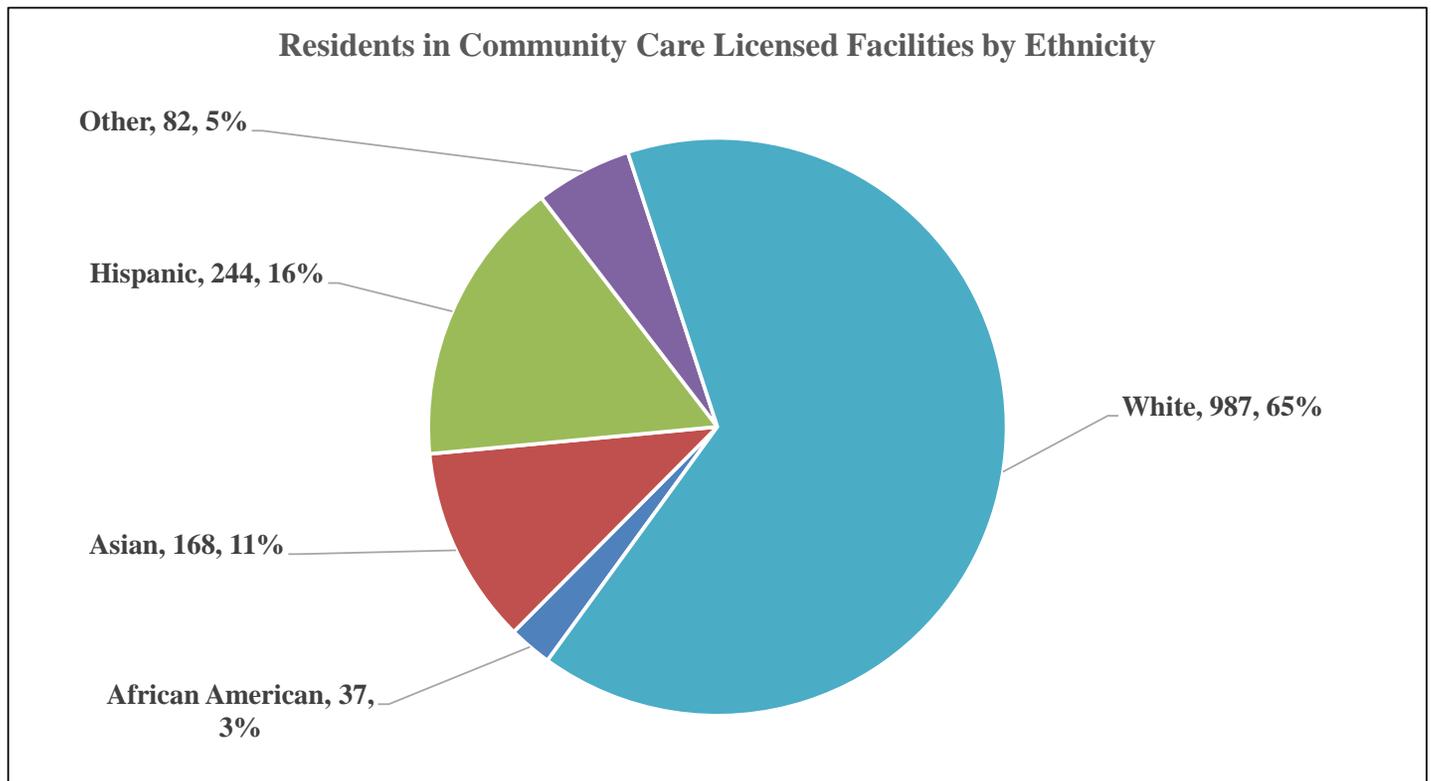
<b>Licensed Facilities</b>	<b>Total</b>	<b>Over 18</b>	<b>Under 18</b>
Level 2	229	229	0
Level 3	297	297	0
Level 4A	34	34	0
Level 4B	5	5	0
Level 4C	50	50	0
Level 4D	37	37	0
Level 4E	23	23	0
Level 4F	67	67	0
Level 4G	32	32	0
Level 4H	4	4	0
Level 4I	346	339	7
Elderly	1	1	0
ICF/DD-H	9	9	0
ICF/DD-N	6	6	0
ICF/DD	0	0	0
Skilled Nursing	0	0	0
<b>Total</b>	<b>1,140</b>	<b>1,133</b>	<b>7</b>

<b>Licensed Facilities Summary</b>	<b>Total</b>	<b>Over 18</b>	<b>Under 18</b>
Level 2	229	229	0
Level 3	297	297	0
Level 4	598	591	7
ICF/DD-H	9	9	0
ICF/DD-N	6	6	0
Elderly	1	1	0
Skilled Nursing	0	0	0
<b>Total</b>	<b>1,140</b>	<b>1,133</b>	<b>7</b>

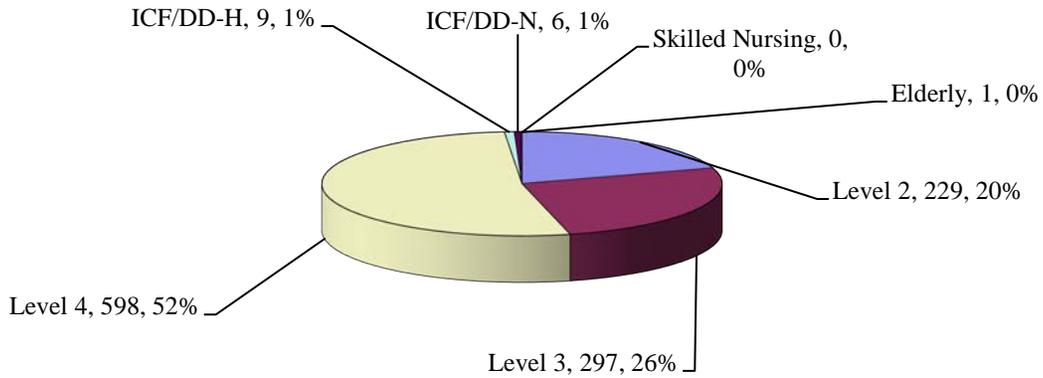
LIVING OPTIONS, continued

Persons Served Who Reside in Licensed Facilities Funded by RCOC by Ethnicity  
Fiscal Year 2020-21

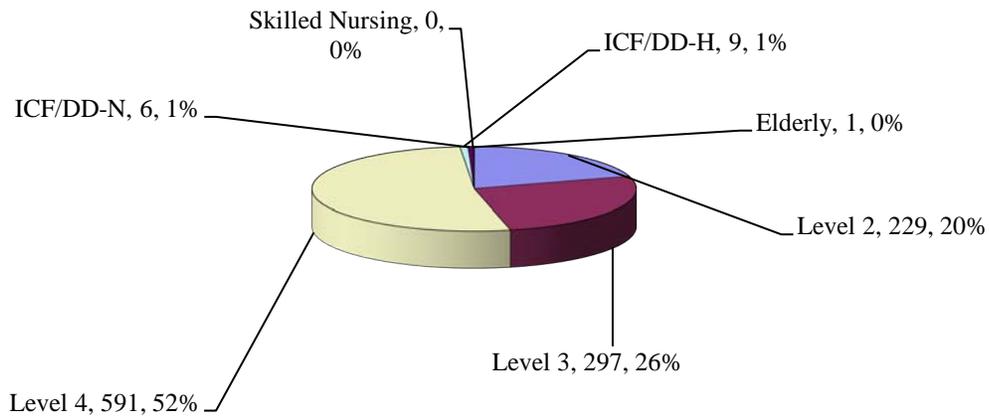
Licensed Facilities	African American	Asian	Hispanic	Other	White	Total
Level 2	6	28	51	12	241	338
Level 3	13	33	61	19	253	379
Level 4A	0	6	5	2	23	36
Level 4B	0	1	0	0	8	9
Level 4C	1	9	9	2	50	71
Level 4D	0	8	7	2	31	48
Level 4E	0	3	8	3	18	32
Level 4F	3	11	10	2	48	74
Level 4G	0	7	5	2	30	44
Level 4H	0	0	3	1	2	6
Level 4I	14	62	85	37	283	481
<b>Total</b>	<b>37</b>	<b>168</b>	<b>244</b>	<b>82</b>	<b>987</b>	<b>1,518</b>



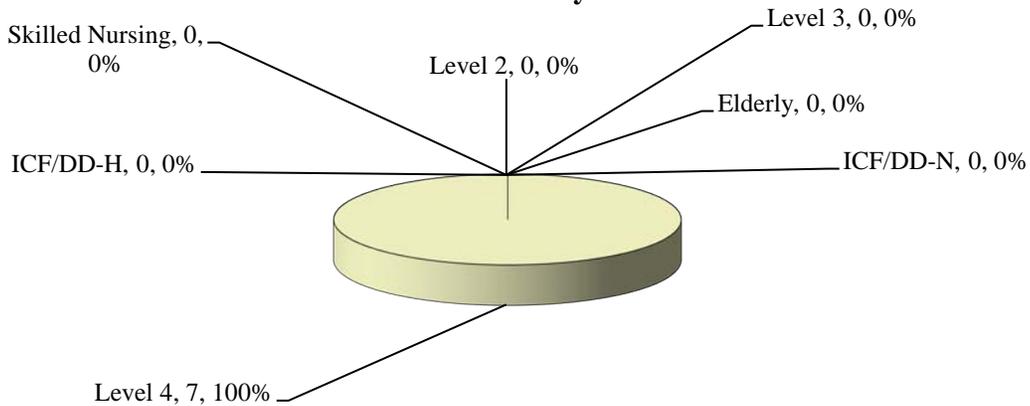
**Persons Served Who Reside in Licensed Facilities  
Services Funded by RCOC**



**Persons Served Over Age 18 Who Reside in Licensed Facilities  
Services Funded by RCOC**



**Persons Served Under Age 18 Who Reside in Licensed Facilities  
Services Funded by RCOC**

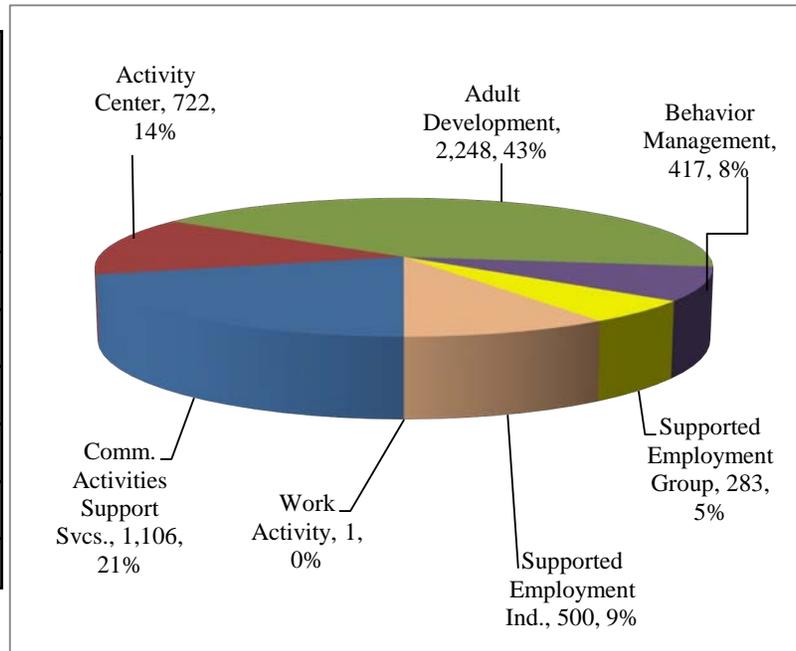


## WORK

### Related Guiding Principle

- *Persons served have the opportunity and support to work in integrated employment settings that are meaningful, valued by the community, and in which they are appropriately compensated and respected.*

Adult Day & Employment Services	Persons Served Over 18
Comm. Activities Support Svcs.	1,106
Activity Center	722
Adult Development	2,248
Behavior Management	417
Supported Employment Group	283
Supported Employment Ind.	500
Work Activity	1
<b>Total</b>	<b>5,277</b>



### Definitions:

**Community Activities Support Services** similar to a Behavior Management Program, this is a behavior management program with an enhanced ration of 1:1 or 1:2 due to severe behavioral challenges.

**Activity Center** means a day program that serves adults who generally have acquired most basic self-care skills, have some ability to interact with others, are able to make their needs known, and respond to instructions. Activity center programs focus on the development and maintenance of the functional skills required for self-advocacy, community integration and employment. Staff ratio ranges from 1:6 to 1:8.

**Adult Development Center** means a day program that serves adults who are in the process of acquiring self-help skills. Individuals who attend adult development centers generally need sustained support and direction in developing the ability to interact with others, to make their needs known, and to respond to instructions. Adult development center programs focus on the development and maintenance of the functional skills required for self-advocacy, community integration, employment, and self-care. Staff ratio ranges from 1:3 to 1:4.

**Behavior Management Program** means a day program that serves adults with severe behavior disorders and/or dual diagnosis who, because of their behavior problems, are not eligible for or acceptable in any other community-based day program. Staff ratio is 1:3.

**Supported Employment Program** means a program that meets the requirements of the term supported employment, i.e. services that are provided by a job coach in order to support and maintain an individual with developmental disabilities in employment, and of the terms, integrated work, supported employment placement, allowable supported employment services, group and individualized services. Staff ratio ranges from 1:1 to 1:4.

**Work Activity Program** includes, but is not limited to, Work Activity centers or settings that provide support to persons served engaged in paid work and have demonstrated that the program is in compliance with Department of Rehabilitation certification standards or are accredited by CARF. Staff ratio ranges from 1:12 to 1:20.

## SERVICE PLANNING AND COORDINATION

### Related Guiding Principles

- *Service coordinators are caring, knowledgeable and competent in service planning, coordination and resources.*
- *Service coordinators inform families of their rights and the services and supports available to them.*
- *Service planning and coordination is a collaborative effort between RCOC, persons served and their families to identify needed services and supports.*
- *Person-centered planning is based upon the choices and preferences of the persons served and their families, and the identification of generic services and natural supports.*
- *Services and supports assist person served and their families to develop support networks leading to reduced dependence on paid supports.*
- *Services and supports are sensitive to the diverse religious, cultural, language, socioeconomic and ethnic characteristics of persons' served and their families' communities.*

### Service Coordination

*Fiscal Year 2020-21*

Service Coordination:	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
Number of Service Coordinators (SC)	307.0	305.0	304.0	301.0	300.0	299.0
Number of Case-Carrying SCs	277.3	275.3	274.3	271.3	270.3	269.3
Number of Intake SCs	29.7	29.7	29.7	29.7	29.7	29.7
Number of State Developmental Center SCs	0.0	0.0	0.0	0.0	0.0	0.0
Number of Active Persons Served	22,336	22,330	22,335	22,354	22,381	22,355
Caseload Ratio, # of Active Persons Served/SCs	80.5	81.1	81.4	82.4	82.8	83.0

Service Coordination:	Jan.	Feb.	Mar.	Apr.	May	June
Number of Service Coordinators (SC)	298.9	296.8	293.6	291.9		
Number of Case-Carrying SCs	270.2	269.2	266.0	265.2		
Number of Intake SCs	28.7	27.7	27.7	26.7		
Number of State Developmental Center SCs	0.0	0.0	0.0	0.0		
Number of Active Persons Served	22,325	22,304	22,443	22,584		
Caseload Ratio, # of Active Persons Served/SCs	82.6	82.9	84.4	85.2		

**SERVICE PLANNING AND COORDINATION continued**

**Fair Hearings**

*Fiscal Year 2020-21*

	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
<b>Number of Unsettled Hearing Requests*</b>	<b>18</b>	<b>20</b>	<b>27</b>	<b>28</b>	<b>28</b>	<b>25</b>	<b>27</b>	<b>24</b>	<b>26</b>	<b>24</b>		
Eligibility - Lanterman	8	7	8	6	6	3	0	1	1	2		
Behavioral services	2	1	1	2	3	2	2	6	4	3		
Respite	4	6	9	9	7	10	5	4	4	4		
Day Care	1	1	1	0	0	0	11	0	0	0		
ILS/SLS	0	0	0	0	0	0	0	0	0	0		
Personal Assistance	0	1	1	1	2	1	1	3	4	4		
Other**	3	4	7	10	10	9	8	10	13	11		

\* Hearing Requests may list more than one issue; so, the number of issues may equal more than the number of hearing requests.

\*\* Other issues include but are not limited to living options.

<b>Number of New Hearing Requests Filed*</b>	<b>10</b>	<b>6</b>	<b>11</b>	<b>7</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>8</b>	<b>9</b>	<b>2</b>		
Eligibility - Lanterman	4	1	3	0	1	0	0	1	0	1		
Eligibility - Early Start	0	0	0	0	0	0	0	0	0	0		
Behavioral services	2	0	1	1	1	0	3	0	0	0		
Respite	2	1	4	2	1	5	2	0	2	0		
Day Care	0	0	1	0	0	0	0	0	0	0		
Social/Recreational	0	0	0	0	0	0	0	0	0	0		
Personal Assistance	0	1	0	0	1	0	0	0	2	1		
Other**	2	3	2	4	0	0	0	7	5	0		

\* Hearing Requests may list more than one issue; so, the number of issues may equal more than the number of hearing requests.

\*\* Other issues include but are not limited to living options.

<b>Number of All Meetings Held</b>	<b>2</b>	<b>8</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>2</b>	<b>5</b>	<b>5</b>	<b>9</b>	<b>6</b>		
Number of Informal Meetings Held	2	4	3	4	2	2	2	2	7	0		
Number of Mediations Held	0	2	1	1	4	0	2	2	1	0		
Number of SLFHs Held	0	2	1	1	1	0	1	1	1	6		

<b>Number of Requests in Scheduling*</b>	<b>3</b>	<b>7</b>	<b>16</b>	<b>18</b>	<b>17</b>	<b>20</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>12</b>		
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\* Meetings in process of being scheduled; meetings on schedule but not yet held; meetings scheduled but not held due to continuances.

<b>Number of Requests Pending*</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>		
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\* State Level Fair Hearing (SLFH) held but awaiting decision.

<b>Number of Requests Settled</b>	<b>3</b>	<b>3</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>9</b>	<b>5</b>	<b>1</b>	<b>3</b>		
Withdrawn by Person Served/Family	0	0	0	0	1	0	0	0	0	0		
Settled in Informal	2	2	1	0	0	0	0	0	0	0		
Settled after further follow-up by RCOC	1	0	2	2	2	3	6	3	0	2		
Settled in Mediation	0	1	0	1	0	0	2	2	0	0		
SLFH Decision	0	0	3	0	1	0	1	0	1	1		

**State Level Fair Hearing Decisions**

<b>Prevailing Party</b>												
Person Served/Family	0	0	1	0	0	0	0	0	0	0		
RCOC	0	0	2	0	1	0	0	0	1	1		
Split	0	0	0	0	0	0	1	0	0	0		

## ADMINISTRATION AND GOVERNANCE

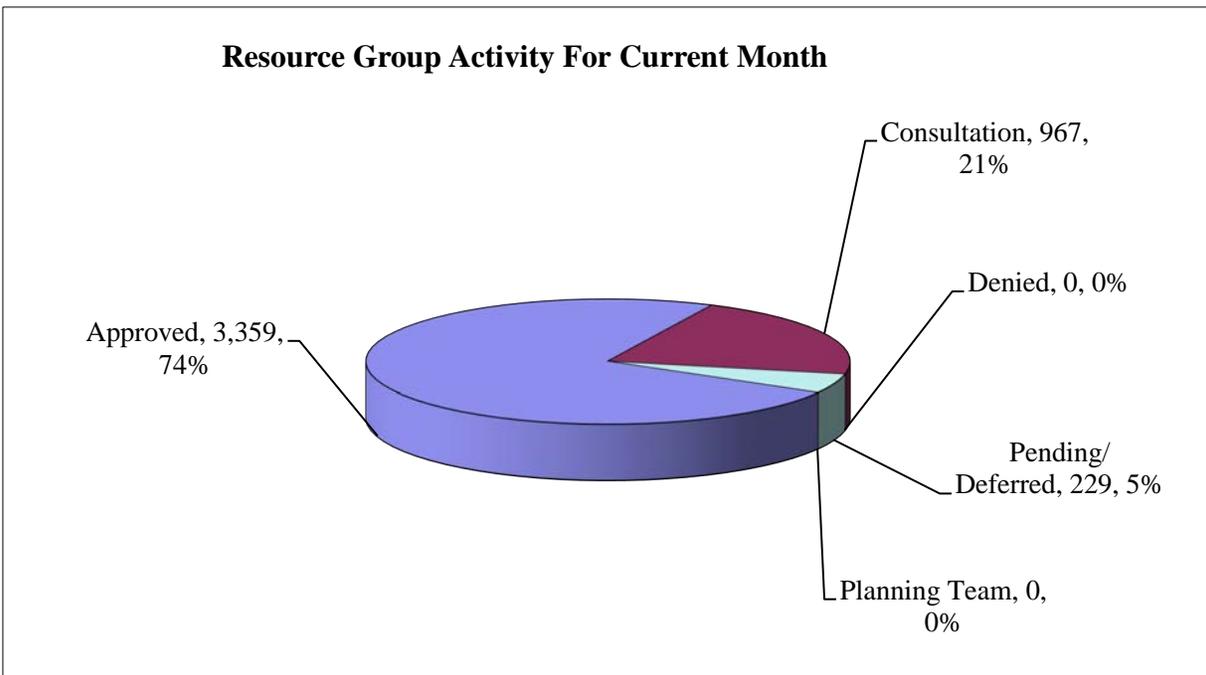
### Guiding Principle

- RCOC will maximize all alternative sources of funding for necessary services and supports including federal and generic funding.
- The public funds that support the service system are expended in a fashion that is cost-effective, consumer-directed, consistent with good business practices, and that reflect RCOC's Guiding Principles and diligent stewardship.

### Resource Group Activity for April 2021 and Fiscal Year to Date

Disposition	Approved	Consultation	Denied	Pending/Deferred	Planning Team	Total
Adult Day	377	173	0	47	0	597
Behavioral	112	48	0	11	0	171
Education	0	4	0	0	0	4
Eligibility/Health	73	2	0	1	0	76
Early Start	765	98	0	70	0	866
Living Options	163	117	0	1	0	281
Supported/Ind.	347	111	0	44	0	502
All Others	848	93	0	44	0	985
<b>Monthly Total</b>	<b>3,359</b>	<b>967</b>	<b>0</b>	<b>229</b>	<b>0</b>	<b>4,798</b>

<b>FY 2020-21 Total to Date</b>	32,158	7,972	0	1,952	0	<b>42,082</b>
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## Operations Report Summary - April 2021

About Persons Served	Early Start	Medicaid Waiver	All Other	SDC	Total	Under 18	Over 18
Number of Persons Served	3,212	8,386	8,985	9	<b>20,592</b>	10,328	10,264
<i>Percentage of Total</i>	<i>16%</i>	<i>41%</i>	<i>44%</i>	<i>0%</i>	<i>100%</i>	<i>50%</i>	<i>50%</i>

<b>Children served in Prevention Resource and Referral Services</b>	<b>458</b>
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Persons Served by Residence Status	All	Under 18	Over 18
Family Home	18,398	10,138	8,260
Community Care Facility	1,619	29	1,590
State Developmental Center	9	0	9
Family Home Agency	104	0	104
Foster Home	252	245	7
Intermediate Care Facility	666	5	661
Independent Living	893	0	893
Supported Living	502	0	502
Skilled Nursing	80	0	80
Other	103	26	77
<b>Total</b>	<b>22,626</b>	<b>10,443</b>	<b>12,183</b>

Special Incident Investigations	Year to Date
AWOL	55
Abuse	156
Neglect	168
Injury	182
Hospitalizations - Total	485
Death	171
Victim of crime	26
Arrest	8
Rights	153
<b>Total</b>	<b>1,404</b>

### Number of Licensed Facilities

<i>Community Care Facilities</i>	Total	Under 18	Over 18
Level 2	79	0	79
Level 3	81	0	80
Level 4	172	11	161
<b>Total Community Care Facilities</b>	<b>332</b>	<b>11</b>	<b>320</b>

Licensed Facility Monitoring	Year to Date
Annual Review	18
Unannounced	56
Total Number of Reviews	74
Provider Trainings	0
Technical Support	602
Corrective Action Plans	10

### *Intermediate Care Facilities (ICF)*

ICF-DD	0
ICF-DD/Habilitation	83
ICF-DD/Nursing	40
<b>Total ICF Facilities</b>	<b>123</b>

<b>Number of Audits</b>	<b>14</b>
<b>Amount of Recovery from Audits</b>	<b>\$22,710</b>

<b>Total Licensed Facilities</b>	<b>455</b>
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## Performance Contract Summary

RCOC as of 5/01/2021	All	RCOC #	Goal	Percentage	# Attained
Developmental Center (DC)	22,588	9	0	0.04%	-9
Children in Foster Homes (FH)	10,433	244	245	2.34%	-1
Children Own Home Parent/Guardian	10,433	10,131	10,350	97.11%	-219
Total # Children (FH,Parent/Guardian)	10,433	10,375	10,595	99.44%	-220
Adult FHA	12,146	104	109	0.86%	-5
Independent Living (IL)	12,146	891	899	7.34%	-8
Adults Residing Own Home - Parent	12,146	8,255	8,250	67.96%	5
Supported Living (SL)	12,146	499	508	4.11%	-9
Total # Adults (FHA, IL,Parent/Guardian, SL)	12,146	9,749	9,766	80.27%	-17
Children Residing in a CCF (7+ beds)	10,433	1	0	0.01%	-1
Children Residing in a ICF (7+ beds)	10,433	2	0	0.02%	-2
Children Residing in a Nursing Facility (7+ beds)	10,433	0	0	0%	0
Total Children Residing in 7+ bed facilities	10,433	3	0	0.03%	-3
Adults Residing in a CCF (7+ beds)	12,146	121	120	1.00%	-1
Adults Residing in a ICF (7+ beds)	12,146	12	14	0.10%	2
Adults Residing in a Nursing Facility (7+ beds)	12,146	78	78	0.64%	0
Total Adults Residing in 7+ bed facilities	12,146	211	212	1.74%	1
Total Individuals Over Age 3 with <=120 days	185	185	100%	100%	100%
Total Individuals Over Age 3 with 121-240 days	185	0	0%	0%	0%
Total Individuals Over Age 3 Over 240 days	185	0	0%	0%	0%
Adults with Integrated Employment Goal	12,146	57%	65%		
Total Number of Incentive Payments Made	12,146	362			
Avg. Wage per Hour After Incentive Payment	12,146	\$12.06			
Number of Persons Served with Earned Income	12,146	3,336			
Percentage of 16-64 Earned Income	12,146	21%			
Annual Earnings of 16-64	12,146	\$8,806			
Number of Adults in CIE After Paid Intern	12,146	7			
Percentage Adults Transitioned Internship to CIE	12,146	21%			
Total Annual Expenditures Race/Ethnicity	22,588				

## Performance Contract 2021 Cover Sheet



= Better than Statewide Average



= Below Regional Center of Orange County Goal



= Met Regional Center of Orange County Goal



= Met or Exceeded Regional Center of Orange County Goal



= Exceeded Regional Center of Orange County Goal

There will be a variance between consumer data in the Operations Report and the Performance Contract. Consumer data for the Operations Report and the Performance Contract are produced on different dates and from different databases. The Operations Report numbers are based on RCOC's local database as of the end of the month. The Performance Contract numbers are based on RCOC's information as submitted to DDS on a different date.



**Performance Contract 2021**

A. Regional Center of Orange County will maintain compliance in the following areas based upon criteria set forth in RCOC's contract with the Department of Developmental Services.

<b>Compliance Measure</b>	<b>Outcome</b>
Unqualified audit with no material findings	Yes
Substantial compliance with DDS fiscal audit	Yes
Operates within OPS budget	Yes
Certified to participate in Waiver	Yes
Compliance with vendor audit requirements per contract, Article III, sec. 10	Met
CDER/ESR current	99.93
Intake/Assessment and IFSP (0-2)	99.52
IPP development biennial	Annual, 99.46
IFSP development	69.28

## Performance Contract 2021

### I. Developmental Center

#### A. Total number and % of regional center caseload in developmental centers.

	Percentage	All consumers	Consumers in DC	Goal	%	# Attained
Statewide Average	0.08%	353,922	266			
RCOC Public Hearing 8/19/20	0.03%	22,370	7	0	0.04%	-9
RCOC 5/01/21	0.04%	22,588	9			
Analysis as of Public Hearing	RCOC % of DD population		6.32%	RCOC % of DC population		2.63%

#### Planned Activities

**Statement:** The Regional Center of Orange County (RCOC) is committed to providing assistance to individuals and their families who choose to move from a State Developmental Center (SDC) into a less restrictive environment within their home communities.

**Objective:** RCOC will continue to seek new and innovative methods of utilizing available resources, developing non-existing resources, and creating and implementing transition plans that will allow individuals to establish themselves and participate successfully in their home community living arrangements.

- Implementation of Community Placement Plan for FYs 2018-2019 and 2019-2020.

**Progress:** In FY 2019-2020, RCOC moved the last persons served from Fairview Developmental Center into the community. The remaining individuals are served at Porterville Developmental Center where they remain for competency issues. During Public Meetings in August 2020, RCOC had 7 persons served, or 0.03%, in Developmental Centers.

#### Number of Persons Served Residing DCs



	Total Active Caseload	Goal	DC	%	Number Attained
Jan-21	22,323	0	9	0.04%	-9
Feb-21	22,307	0	10	0.04%	-10
Mar-21	22,457	0	9	0.04%	-9
Apr-21	22,588	0	9	0.04%	-9
May-21		0			
Jun-21		0			
Jul-21		0			
Aug-21		0			
Sep-21		0			
Oct-21		0			
Nov-21		0			
Dec-21		0			

Below Goal

## Performance Contract 2021

### II. Children Residing with Families (Child is defined as under 18 years of age)

#### Planned Activities

**Statement:** The Regional Center of Orange County ensures that children will reside with their families by providing the needed supports and services regardless of the severity of the child's disability.

**Objectives:** Service Coordinators continue to identify, publicize and facilitate access to supports and services for children with developmental disabilities who are considered at risk for out-of-home placement. RCOC will hold an annual presentation on supports and services for persons served including residential and vocational (day services) and other generic resources.

- Continue to assess current supports and services.
- RCOC will work with the Orange County community in effort to support programs, trainings and services designed to provide equal access to child care for families of children with special needs (autism).
- Continue to develop innovative resources for children 0-3 years old (i.e., respite placement).
- RCOC will ensure that persons served are provided opportunities for safety awareness training through schools and other similar programs available.
- Review and revise services, e.g. respite and family support.
- RCOC will assure that families receive full information about the developmental needs of the persons served and what types of services are available.
- RCOC will assure that persons served and their caregivers receive complete assessments and have the opportunity to ask questions, advocate, and access to services. To be evaluated and monitored by a National Core Indicators (NCI) survey of persons served and their caregivers.

**Progress:** A. During public meetings, RCOC had 234, or 2.23%, children in foster homes.

A. Number and % of regional center children in foster homes.

	Percentage	All Children	Children in FH	Goal	%	# Attained
Statewide Average	2.77%	178,127	4,938			
RCOC Public Hearing 8/19/20	2.23%	10,502	234	245	2.34%	-1
RCOC 5/01/21	2.34%	10,433	244	245	2.34%	-1
Analysis as of Public Hearing	RCOC % of DD population	5.90%	RCOC % of FH population	4.74%		



	Total Children Status 1&2	Goal	Children in Foster Homes	%	Number Attained
Jan-21	10,267	245	228	2.22%	-17
Feb-21	10,222	245	233	2.28%	-12
Mar-21	10,349	245	241	2.33%	-4
Apr-21	10,433	245	244	2.34%	-1
May-21		245			
Jun-21		245			
Jul-21		245			
Aug-21		245			
Sep-21		245			
Oct-21		245			
Nov-21		245			
Dec-21		245			

**Progress:** B. During public meetings, RCOC had 10,202, or 97.14%, of children in own home-parent/guardian.

B. Number and % of regional center children in own home-parent/guardian.

	Percentage	All Children	Children in own home Parent/Guardian	Goal	%	# Attained
Statewide Average	96.71%	178,127	172,258			
RCOC Public Hearing 8/19/20	97.14%	10,502	10,202			
RCOC 5/01/21	97.11%	10,433	10,131	10,350	97.11%	-219
Analysis as of Public Hearing	RCOC % of DD population	5.90%	RCOC % of FH population	5.92%		



	Total Children Status 1&2	Goal	Children in own home Parent/Guardian	%	Number Attained
Jan-21	10,350	10,500	9,980	97.20%	-370
Feb-21	10,222	10,500	9,931	97.15%	-419
Mar-21	10,349	10,500	10,051	97.12%	-299
Apr-21	10,433	10,500	10,131	97.11%	-219
May-21		10,500			
Jun-21		10,500			
Jul-21		10,500			
Aug-21		10,500			
Sep-21		10,500			
Oct-21		10,500			
Nov-21		10,350			
Dec-21		10,350			



**Progress:** C. During public meetings, RCOC had 10,436, or 99.37%, of children in homes.

C. Total number and % of regional center children in homes (*This is a total of sections A and B above*).

	Percentage	All Children	Total Number Children in Homes	Goal	%	# Attained
Statewide Average	99.48%	178,127	177,196			
RCOC Public Hearing 8/19/20	99.37%	10,502	10,436			
RCOC 5/01/21	99.44%	10,433	10,375	10,595	99.44%	-220
Analysis as of Public Hearing	RCOC % of DD population	5.90%	RCOC % of FH population	5.89%		

	Total Children Status 1&2	Goal	Total Number Children in Homes	%	Number Attained
Jan-21	10,267	10,720	10,208	99.43%	-387
Feb-21	10,222	10,720	10,164	99.43%	-431
Mar-21	10,349	10,720	10,292	99.45%	-303
Apr-21	10,433	10,720	10,375	99.44%	-220
May-21		10,720			
Jun-21		10,720			
Jul-21		10,720			
Aug-21		10,720			
Sep-21		10,720			
Oct-21		10,720			
Nov-21		10,595			
Dec-21		10,595			

**Below Goal**

## Performance Contract 2021

### III. Adults Residing in Home Settings

#### Planned Activities

**Statement:** RCOC works with persons served and their caregivers and advocates to empower and enable them to assert the rights of persons served to determine and control the living arrangements of their choice. This may include owning, renting, or leasing the home where the persons served resides.

**Objective:** Using the Person Centered Thinking (PCT) Individual Program Planning process, Service Coordinators will continue to identify regional center adult persons served who have the hopes and desires to live in a new living arrangement. Cases are reviewed at least annually for the least restrictive environment.

- RCOC will provide service coordinator training to assist families in establishing maintenance plans in the event of temporary caregiver illness/incapacity and for eventual transition plans.
- RCOC will request vendors to include successory maintenance and transitional plans in the event of temporary illness/incapacity and transfer of ownership in their program designs.
- RCOC will ensure that persons served are provided opportunities for safety awareness training on a regular and as needed basis.
- RCOC will review and revise services, e.g. respite and family support.
- RCOC will assure that persons served and their caregivers receive complete assessments and have opportunity to ask questions, advocate, and access services. To be evaluated and monitored by an NCI survey of persons served and their caregivers.

**Progress:** A. During public meetings, RCOC had 101, or 0.85%, of adults residing in Adult FHA.

A. Total number and % of regional center adult caseload residing in an Adult Family Home Agency (FHA).

	Percentage	Total Adults Status 2	Adults in FHA	Goal	%	# Attained
Statewide Average	0.93%	175,529	1,638			
RCOC Public Hearing 8/19/20	0.85%	11,861	101			
RCOC 5/01/21	0.86%	12,146	104	109	0.86%	-5
Analysis as of Public Hearing		RCOC % of DD population	6.76%		RCOC % of FH population	6.17%



	Total Adults Status 2	Goal	Adults in FHA	%	Number Attained
Jan-21	12,047	109	103	0.85%	-6
Feb-21	12,705	109	103	0.85%	-6
Mar-21	12,099	109	105	0.87%	-4
Apr-21	12,146	109	104	0.86%	-5
May-21		109			
Jun-21		109			
Jul-21		109			
Aug-21		109			
Sep-21		109			
Oct-21		109			
Nov-21		109			
Dec-21		109			

**Progress:** B. During public meetings, RCOC had 863, or 7.55%, of adults residing in independent living.

B. Total number and % of regional center adults residing in independent living.

	Percentage	Total Adults Status 2	Adults in Independent Living	Goal	%	# Attained
Statewide Average	10.06%	175,529	17,660			
RCOC Public Hearing 8/19/20	7.55%	11,434	863			
RCOC 5/01/21	7.34%	12,146	891	899	7.34%	-8
Analysis as of Public Hearing	RCOC % of DD population	6.51%	RCOC % of FH population	4.89%		

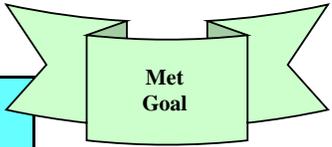


	Total Adults Status 2	Goal	Adults in Independent Living	%	Number Attained
Jan-21	12,047	899	886	7.35%	-13
Feb-21	12,075	899	887	7.35%	-12
Mar-21	12,099	899	887	7.33%	-12
Apr-21	12,146	899	899	7.34%	-8
May-21		899			
Jun-21		899			
Jul-21		899			
Aug-21		899			
Sep-21		899			
Oct-21		899			
Nov-21		899			
Dec-21		899			

**Progress:** C. During public meetings, RCOC had 7,477, or 63.04%, of adults residing in own home-parent.

C. Total number and % of regional center adults residing in own home-parent.

	Percentage	Total Adults Status 2	Adults Residing Own Home - Parent	Goal	%	# Attained
Statewide Average	64.98%	175,529	114,052			
RCOC Public Hearing 8/19/20	63.04%	11,861	7,477			
RCOC 5/01/21	67.96%	12,146	8,255	8,250	67.96%	5
Analysis as of Public Hearing		RCOC % of DD population	6.76%	RCOC % of FH population		6.56%

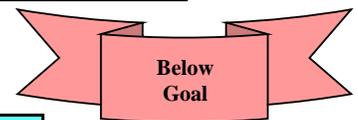


	Total Adults Status 2	Goal	Adults Residing Own Home - Parent	%	Number Attained
Jan-21	12,047	8,250	8,141	67.58%	-109
Feb-21	12,075	8,250	8,180	67.74%	-70
Mar-21	12,099	8,250	8,209	67.85%	-41
Apr-21	12,146	8,250	8,255	67.96%	5
May-21		8,250			
Jun-21		8,250			
Jul-21		8,250			
Aug-21		8,250			
Sep-21		8,250			
Oct-21		8,250			
Nov-21		8,250			
Dec-21		8,250			

**Progress:** D. During public meetings, RCOC had 488, or 4.27%, of adults residing in supported living.

D. Total number and % of regional center adults residing in supported living.

	Percentage	Total Adults status 2	Adults Residing Supported Living	Goal	%	# Attained
Statewide Average	5.28%	175,529	9,260			
RCOC Public Hearing 8/19/20	4.27%	11,434	488			
RCOC 5/01/21	4.11%	12,146	499	508	4.11%	-9
Analysis as of Public Hearing		RCOC % of DD population	6.51%		RCOC % of FH population	5.27%



	Total Adults Status 2	Goal	Adults Residing Supported Living	%	Number Attained
Jan-21	12,047	508	494	4.10%	-14
Feb-21	12,075	508	497	4.12%	-11
Mar-21	12,099	508	498	4.12%	-10
Apr-21	12,146	508	499	4.11%	-9
May-21		508			
Jun-21		508			
Jul-21		508			
Aug-21		508			
Sep-21		508			
Oct-21		508			
Nov-21		508			
Dec-21		508			



**Progress:** E. During public meetings, RCOC had 9,936, or 83.77%, of adults residing in home-settings.

E. Total number and % of regional center adults in home settings (*This is a total of sections A, B, C and D above*).

	Percentage	Total Adults status 2	Total Number Adults in Home Settings	Goal	%	# Attained
Statewide Average	81.25%	175,529	142,610			
RCOC Public Hearing 8/19/20	83.77%	11,861	9,936			
RCOC 5/01/21	80.27%	12,146	9,749	9,766	80.27%	-17
Analysis as of Public Hearing	RCOC % of DD population	6.76%	RCOC % of FH population	6.97%		

	Total Adults Status 2	Goal	Total Number Adults in Home Settings	%	Number Attained
Jan-21	12,047	9,766	9,624	78.79%	-142
Feb-21	12,075	9,766	9,667	80.06%	-99
Mar-21	12,099	9,766	9,699	80.16%	-67
Apr-21	12,146	9,766	9,749	80.27%	-17
May-21		9,766			
Jun-21		9,766			
Jul-21		9,766			
Aug-21		9,766			
Sep-21		9,766			
Oct-21		9,766			
Nov-21		9,766			
Dec-21		9,766			

Below Goal



## Performance Contract 2021

### IV. Children Residing in Facilities with Seven or More Beds (Excluding Developmental Centers)

#### Planned Activities

**Statement:** RCOC provides for the needs of children with medical issues or challenging behaviors in seven or greater bed facilities for limited time periods when smaller facilities cannot meet needs.

**Objective:** RCOC will place only those children with medical issues or challenging behaviors in seven or greater bed facilities.

- RCOC will continue seeking appropriate placement in smaller facilities for these children and to support creative services and supports which would allow placement in existing small facilities, as well as development of new small facilities as needed, utilizing appropriate services and supports to ensure success for these persons served.
- RCOC will adhere to Trailer Bill Language relating to the use of larger facilities to ensure the least restrictive environment is supported.



**Progress:** A. During public meetings, RCOC had 2, or 0.02%, of children residing in a Community Care Facility (CCF)(7+ beds). Placements to 7+ bed CCF facilities are at family request and/or due to specialized services.

A. Total number and % of regional center children residing in a CCF (7+ beds).

	Percentage	Total Children Status 1 & 2	Children Residing in a CCF (7+ beds)	Goal	%	# Attained
Statewide Average	0.02%	178,127	28			
RCOC Public Hearing 8/19/20	0.02%	10,502	2			
RCOC 5/01/21	0.01%	10,433	1	0	0.01%	-1
Analysis as of Public Hearing	RCOC % of DD population	5.90%	RCOC % of FH population	7.14%		



	Total Children status 1&2	Goal	Children Residing in a CCF (7+ beds)	%	Number Attained
Jan-21	10,267	0	1	0.01%	-1
Feb-21	10,222	0	1	0.01%	-1
Mar-21	10,349	0	1	0.01%	-1
Apr-21	10,433	0	1	0.01%	-1
May-21		0			
Jun-21		0			
Jul-21		0			
Aug-21		0			
Sep-21		0			
Oct-21		0			
Nov-21		0			
Dec-21		0			



**Progress:** B. During public meetings, RCOC had 2, or 0.02% of children residing in an Immediate Care Facility (CCF)(7+ beds). Placements to 7+ bed ICF facilities are at family request and/or due to specialized services.

B. Total number and % of regional center children residing in an ICF (7+ beds).

	Percentage	Total Children Status 1 & 2	Children Residing in an ICF (7+ beds)	Goal	%	# Attained
Statewide Average	0.02%	178,127	35			
RCOC Public Hearing 8/19/20	0.02%	10,502	2			
RCOC 5/01/21	0.02%	10,433	2	0	0.02%	-2
Analysis as of Public Hearing		RCOC % of DD population	5.90%		RCOC % of FH population	5.71%



	Total Children Status 1&2	Goal	Children Residing in a ICF (7+ beds)	%	Number Attained
Jan-21	10,267	0	2	0.02%	-2
Feb-21	10,222	0	2	0.02%	-2
Mar-21	10,349	0	2	0.02%	-2
Apr-21	10,433	0	2	0.02%	-2
May-21		0			
Jun-21		0			
Jul-21		0			
Aug-21		0			
Sep-21		0			
Oct-21		0			
Nov-21		0			
Dec-21		0			

**Progress:** C. During public meetings, RCOC had no children residing in a nursing facility. Placements to nursing facilities are at family request and/or due to specialized services.

C. Total number and % of regional center children residing in a nursing facility.

	Percentage	Total Children Status 1 & 2	Children Residing in a Nursing Facility (7+ beds)	Goal	%	# Attained
Statewide Average	0.00%	178,127	5			
RCOC Public Hearing 8/19/20	0.00%	10,502	0			
RCOC 5/01/21	0.00%	10,433	0	0	0.00%	0
Analysis as of Public Hearing		RCOC % of DD population	5.90%		RCOC % of FH population	0.00%



	Total Children status 1&2	Goal	Children Residing in a Nursing Facility (7+ beds)	%	Number Attained
Jan-21	10,267	0	0	0.00%	0
Feb-21	10,222	0	0	0.00%	0
Mar-21	10,349	0	0	0.00%	0
Apr-21	10,433	0	0	0.00%	0
May-21		0			
Jun-21		0			
Jul-21		0			
Aug-21		0			
Sep-21		0			
Oct-21		0			
Nov-21		0			
Dec-21		0			



**Progress:** D. During public meetings, RCOC had 4, or 0.04%, of children residing in a facility with 7+ beds. Placements to 7+ bed facilities are at family request and/or due to specialized services.

D. Total number and % of regional center children residing in a facility with 7+ beds (*This is a total of sections A, B and C above*).

	Percentage	Total Children Status 1 & 2	Total Children Residing in 7+ bed facilities	Goal	%	# Attained
Statewide Average	0.04%	178,127	68			
RCOC Public Hearing 8/19/20	0.04%	10,502	4			
RCOC 5/01/21	0.03%	10,433	3	0	0.03%	-3
Analysis as of Public Hearing	RCOC % of DD population	5.90%	RCOC % of FH population	5.88%		



	Total Children Status 1&2	Goal	Total Children Residing in 7+ bed facilities	%	Number Attained
Jan-21	10,267	0	3	0.03%	-3
Feb-21	10,222	0	3	0.03%	-3
Mar-21	10,349	0	3	0.03%	-3
Apr-21	10,433	0	3	0.03%	-3
May-21		0			
Jun-21		0			
Jul-21		0			
Aug-21		0			
Sep-21		0			
Oct-21		0			
Nov-21		0			
Dec-21		0			



## Performance Contract 2021

### V. Adults Residing in Facilities with Seven or More Beds (Excluding Developmental Centers)

#### Planned Activities

**Statement:** RCOC continues to ensure that individuals with developmental disabilities have more choices in living options regardless of the severity of their disabilities.

**Objective:** RCOC will place only those adults with medical issues or challenging behaviors in seven or greater bed facilities.

- RCOC will continue seeking appropriate placement in smaller facilities for these persons served and to support creative services and supports which would allow placement in existing small facilities, as well as development of new small facilities as needed, utilizing appropriate services and supports to ensure success for these persons served.
- RCOC will adhere to Trailer Bill Language relating to the use of larger residential facilities to ensure the least restrictive environment is supported.



**Progress:** A. During public meetings, RCOC had 140, or 1.18%, of adults residing in a CCF (7+ beds). Placements to 7+ bed facilities are at family request and/or due to specialized services. RCOC also has several long-term care providers with facilities in this category. RCOC will continue to work with these vendors to implement Trailer Bill Language regarding use of these programs.

A. Total number and % of regional center adult caseload residing in a Community Care Facility (CCF)(7+ beds).

	Percentage	Total Adults Status 2	Adults Residing in a CCF (7+ beds)	Goal	%	# Attained
Statewide Average	0.94%	175,529	1,646			
RCOC Public Hearing 8/19/20	1.18%	11,861	140			
RCOC 5/01/21	1.00%	12,146	121	120	1.00%	-1
Analysis as of Public Hearing	RCOC % of DD population	6.76%	RCOC % of FH population	8.51%		

	Total Adults Status 2	Goal	Adults Residing in a CCF (7+ beds)	%	Number Attained
Jan-21	12,047	120	126	1.05%	-6
Feb-21	12,075	120	121	1.00%	-1
Mar-21	12,099	120	121	1.00%	-1
Apr-21	12,146	120	121	1.00%	-1
May-21		120			
Jun-21		120			
Jul-21		120			
Aug-21		120			
Sep-21		120			
Oct-21		120			
Nov-21		120			
Dec-21		120			



**Progress:** B. During public meetings, RCOC had 21, or 0.12%, of adults residing in an Intermediate Care Facility (ICF)(7+ beds). Placements to 7+ bed facilities are at family request and/or due to specialized services.

B. Total number and % of regional center adults residing in an ICF (7+ beds).

	Percentage	Total Adults status 2	Adults Residing in a ICF (7+ beds)	Goal	%	# Attained
Statewide Average	0.56%	175,529	975			
RCOC Public Hearing 8/19/20	0.18%	11,861	21			
RCOC 5/01/21	0.10%	12,146	12	14	0.10%	2
Analysis as of Public Hearing	RCOC % of DD population	6.76%	RCOC % of FH population	2.15%		



	Total Adults Status 2	Goal	Adults Residing in a ICF (7+ beds)	%	Number Attained
Jan-21	12,047	14	12	0.10%	2
Feb-21	12,075	14	12	0.09%	2
Mar-21	12,099	14	12	0.10%	2
Apr-21	12,146	14	12	0.10%	2
May-21		14			
Jun-21		14			
Jul-21		14			
Aug-21		14			
Sep-21		14			
Oct-21		14			
Nov-21		14			
Dec-21		14			



**Progress:** C. During public meetings, RCOC had 93, or 0.78%, of adults residing in a nursing facility. Placements to nursing facilities are at family request and/or due to specialized services.

C. Total number and % of regional center adult caseload residing in a nursing facility.

	Percentage	Total Adults status 2	Adults Residing in a Nursing Facility (7+ beds)	Goal	%	# Attained
Statewide Average	0.61%	175,529	1,068			
RCOC Public Hearing 8/19/20	0.78%	11,861	93			
RCOC 5/01/21	0.64%	12,146	78	78	0.64%	0
Analysis as of Public Hearing	RCOC % of DD population	6.76%	RCOC % of FH population	8.71%		

	Total Adults Status 2	Goal	Adults Residing in a Nursing Facility (7+ beds)	%	Number Attained
Jan-21	12,047	78	78	0.65%	0
Feb-21	12,075	78	79	0.65%	-1
Mar-21	12,099	78	80	0.66%	-2
Apr-21	12,146	78	78	0.64%	0
May-21		78			
Jun-21		78			
Jul-21		78			
Aug-21		78			
Sep-21		78			
Oct-21		78			
Nov-21		78			
Dec-21		78			

**Met Goal**

**Progress:** D. During public meetings, RCOC had 254, or 2.14%, of adults residing in a facility with 7+ beds. Placements to 7+ bed facilities are at family request and/or due to specialized services.

D. Total number and % of regional center adults residing in a facility with 7+ beds (*This is a total of sections A, B and C above*).

	Percentage	Total Adults Status 2	Total Adults Residing in 7+ bed facilities	Goal	%	# Attained
Statewide Average	2.06%	175,529	3,618			
RCOC Public Hearing 8/19/20	2.14%	11,861	254	212	1.74%	1
RCOC 5/01/21	1.74%	12,146	211	212	1.74%	1
Analysis as of Public Hearing	RCOC % of DD population	6.76%	RCOC % of FH population	7.02%		



	Total Adults Status 2	Goal	Total Adults Residing in 7+ bed facilities	%	Number Attained
Jan-21	12,047	212	216	1.79%	-4
Feb-21	12,075	212	212	1.76%	0
Mar-21	12,099	212	213	1.76%	-1
Apr-21	12,146	212	211	1.74%	1
May-21		212			
Jun-21		212			
Jul-21		212			
Aug-21		212			
Sep-21		212			
Oct-21		212			
Nov-21		212			
Dec-21		212			



## Performance Contract 2021

### VI. Intake Duration

#### Planned Activities

**Statement:** Management and Service Coordinator staff receive a monthly report on the duration of individuals ages 3 and over who are in the intake process.

**Objective:** RCOC will continue to ensure that the duration of individuals ages 3 and over in the intake process is within mandated timeline.

- RCOC will provide persons served and their caregivers/advocates with initial information about developmental needs, and about the services and supports available, inside and outside of RCOC.

**Progress:** A. During public meetings, RCOC had 123, or 100%, of regional center individuals over age 3 with <=120 days.

A. Total number and % of regional center individuals over age 3 with <= 120 days.

	Percentage	Total # Age 3 or Over	Total # Over Age 3 with <=120 days	Goal	% Attained
Statewide Average	91.44%	4,648	4,250		
RCOC Public Hearing 8/19/20	100%	123	123		
RCOC 5/01/21	99.32%	185	185	100%	100.00%



	Total Number Individuals Age 3 or Over	Goal	Total Number Individuals Over Age 3 with <=120 days	% Attained
Jan-21	148	100%	145	97.97%
Feb-21	146	100%	145	99.32%
Mar-21	159	100%	159	100.00%
Apr-21	185	100%	185	100.00%
May-21		100%		
Jun-21		100%		
Jul-21		100%		
Aug-21		100%		
Sep-21		100%		
Oct-21		100%		
Nov-21		100%		
Dec-21		100%		



**Progress:** B. During public meetings, RCOC had 0, or 0.00%, of regional center individuals over age 3 with 121-240 days.

B. Total number and % of regional center individuals over age 3 with 121-240 days.

	Percentage	Total Number Individuals Age 3 or Over	Total Number Individuals Over Age 3 with 121-240 days		
Statewide Average	7.42%	4,648	345		
RCOC Public Hearing 8/19/20	0%	123	0	Goal	% Attained
RCOC 5/01/21	0.00%	185	0	0%	0.00%



	Total Number Individuals Age 3 or Over	Goal	Total Number Individuals Over Age 3 with 121-240 days	%
Jan-21	148	0.00%	3	2.03%
Feb-21	146	0.00%	1	0.68%
Mar-21	159	0.00%	0	0.00%
Apr-21	185	0.00%	0	0.00%
May-21		0.00%		
Jun-21		0.00%		
Jul-21		0.00%		
Aug-21		0.00%		
Sep-21		0.00%		
Oct-21		0.00%		
Nov-21		0.00%		
Dec-21		0.00%		

**Progress:** C. During public meetings, RCOC had 0, or 0.00%, of regional center individuals over age 3 with over 240 days.

C. Total number and % of regional center individuals over age 3 with over 240 days.

	Percentage	Total Number Individuals Age 3 or Over	Total Number Individuals Over Age 3 Over 240 days	Goal	%
Statewide Average	1.14%	4,648	53		
RCOC Public Hearing 8/19/20	0%	123	0		
RCOC 5/01/21	0.00%	185	0	0%	0.00%



	Total Number Individuals Age 3 or Over	Goal	Total Number Individuals Over Age 3 Over 240 days	% Attained
Jan-21	148	0%	0	0%
Feb-21	146	0%	0	0%
Mar-21	150	0%	0	0%
Apr-21	185	0%	0	0%
May-21		0%		
Jun-21		0%		
Jul-21		0%		
Aug-21		0%		
Sep-21		0%		
Oct-21		0%		
Nov-21		0%		
Dec-21		0%		



**Progress: B.** RCOC will authorize incentive payments to service providers who assist individuals obtaining competitive integrated employment. RCOC will make initial payments based upon hire date, and additional payments will be made upon subsequent milestones related to length of employment.

B. Total number of \$1,000, \$1,250, and \$1,500 incentive payments made within the fiscal year.

Fiscal Year	\$1,000	\$1,250	\$1,500
2016-2017	95	38	0
2017-2018	155	97	78
2018-2019	151	128	83

\*NOTE: Incentive payments started in FY 2016-17, partial year data

**Progress: C.** RCOC will work with local employment agencies and businesses to assist individuals obtain desired hours of employment on a weekly/monthly basis. Individuals will review this during the initial hiring phase when incentive payments are being sought.

C. Average wages and hours worked for adults engaged in competitive, integrated employment when incentive payments have been made on their behalf.

Fiscal Year	Hours Week	Wage
2016-2017	17	\$10.77
2017-2018	23.5	\$11.31
2018-2019	21	\$12.06

## Performance Contract 2021

### VII. National Core Indicators (NCI) Employment

**Planned Activities**

**Statement:** RCOC has adopted an Employment First Policy making integrated competitive employment the first option considered by planning teams for every working adult served by RCOC.

**Objective:** RCOC will implement its Employment First Policy by providing persons served and family members with information regarding the opportunity and support to work in employment settings that are meaningful to them and by annually reviewing those opportunities with individuals to ensure they are engaged in activities of their choosing. RCOC will make incentive payments to vendors who assist individuals obtain competitive, integrated employment and maintain those positions over time.

**Progress:** A. Results from the National Core Indicator Surveys conducted in FY 2014-2015, 47% of those interviewed indicating a desire for work in the community. For FY 2018-2019 57% of those interviewed expressed a desire for paid employment in their community.

A. Percentage of adults who reported having integrated employment as a goal in their IPPs.

	Percentage	
RCOC FY 2010-11	40%	
RCOC FY 2011-12	46%	Goal
RCOC FY 2014-15	47%	50%
RCOC FY 2018-19	57%	65%



**Progress: D.** In FY 2016-2017, RCOC began working with service providers to place individuals into Paid Internship Program (PIP) opportunities to help develop employment interests, and lead into opportunities for competitive integrated employment. The PIP was initiated in FY 2016-2017. In 2018 RCOC had 1 individual within a paid internship that resulted in employment, and for 2019 that number increased to 7 individuals.

D. Number of adults placed in competitive, integrated employment following participation in a Paid Internship Program.

	Total
2016-2017	0
2017-2018	1
2018-2019	7

**Progress: E.** RCOC will obtain data related to the overall percentage of adults participating in a paid internship who transition into a competitive employment setting. This program began in FY 2016-17. In FY 2018-2019, 21% of adults transitioned from an Internship to Competitive Employment.

E. Percentage of adults who transitioned from internship to competitive employment.

	% of Adults
2016-2017	NA
2017-2018	13%
2018-2019	21%

**Progress: F.** RCOC will monitor the hourly/salaried wages and hours worked per week for persons served who participate in a paid internship. Hours and wages will be competitively based on the job type and market rate for each setting.

F. Average hourly wage and weekly hours worked in Paid Internship Program during the previous fiscal year.

	Hours Wk.	Wage
2016-2017	18	\$10.13
2017-2018	14.25	\$11.25



**Progress: B.** Results from the Employment Development Department in 2017 indicate that 21% of persons served ages 16-64 reported having earned income. In 2018, the percentage of persons served ages 16-64 reporting earned income was 21%.

B. Percentage of people ages 16-64 reporting earned income.

	RCOC	Statewide Avg.
2013	12.80%	12%
2014	17.90%	13.10%
2015	27%	16%
2016	22%	17%
2017	21%	17%
2018	21%	16%

**Progress: C.** Results from the Employment Development Department in 2017 indicate that average annual wage for persons served ages 16-64 was \$7,580. In 2018, the average annual wage for persons served ages 16-64 was \$8,806. This measure will also compare average annual wages of all people with disabilities.

C. Annual earnings of age group 16-64 of people with intellectual disabilities, compared with all persons with disabilities in California.

	RCOC	Statewide Avg.
2013	\$6,691	\$6,697
2014	\$6,086	\$7,044
2015	\$5,681	\$7,248
2016	\$6,613	\$8,327
2017	\$7,580	\$9,033
2018	\$8,806	\$10,317



## Performance Contract 2021

### VIII. Employment Development Department (EDD) Employment

#### Planned Activities

**Statement:** RCOC service coordinators and vendors are implementing RCOC's Employment First Policy of integrated competitive employment as the first option for persons served.

**Objective:** RCOC service coordinators will implement the Employment First Policy by providing persons served and families information on job preparation and procurement at annual Individual Transition Meetings through the school and Individual Program Planning meetings through RCOC. RCOC will continue to work on development of new programs that will emphasize a focus on competitive employment as a primary outcome. RCOC will work with service providers and employers to move individuals participating in Paid Internship Program (PIP) into Competitive Integrated Employment (CIE).

**Progress:** A. Results from the Employment Development Department (EDD) conducted in 2016 indicate that 2,085 persons served ages 16-64 had earned income. In 2018, 3,336 persons served ages 16-64 had earned income.

A. Number of persons served ages 16-64 with earned income.

	RCOC	Statewide Avg.
2015	2,175	962
2016	2,085	1,201
2017	2,341	1,294
2018	3,336	1311



## Performance Contract 2021

### IX. Reducing Disparities and Improving Equity in Purchase of Service Expenditures.

**Statement:** RCOC works to ensure that support services are flexible and innovative in meeting the family's needs as they evolve over time; are tailored to the preferences of the individual family; and are consistent with their cultural norms and customs.

**Objective:** RCOC service coordinators will work with persons served and families to develop IPP goals and objectives to address their choices of living situations. RCOC will work to develop services in the community that meet the cultural and background preferences of persons served and family members to ensure the availability of resources. RCOC will continue outreach efforts within our community to overcome potential cultural barriers when identifying appropriate services. RCOC is working to expand family outreach and support options by developing new resources within our community. RCOC will continue to develop community programs that allow for a range of options for persons served when selecting those services. RCOC service coordinators will receive initial and ongoing training related to IPP development that ensures meaningful participation of persons served and their families and will focus on Person Centered Thinking skills and outcomes. RCOC will be working to simplify and translate important documents. RCOC continues to outreach with outside agencies such as parent support group leaders, family support groups, social services agencies, faith-based organizations and educational agencies, as well as providing information via e-mail in the primary language of the family.

**Progress:** A. Review of fiscal year 2017-18 purchase of service data and client master file (CMF) for initial data resource. Fiscal year 2018-19 data reflects either an increase or decrease in services and expenditures related to disparity criteria.



**Progress:** A. Review of fiscal year 2018-19 purchase of service data and client master file (CMF). Initial data generation will be compared to subsequent FY information.

A. Percent of total annual purchase of service expenditures by individual's ethnicity and age: Birth to age 2; Age 3-21; 22 and older.

Ethnicity	Total Persons	Percentage of Expenditures	Total Authorized	Utilized
American Indian or Alaska Native	8 ↓	0.3% ↑	\$106,6804 ↑	74.8% ↑
Asian	923 ↓	19.1% ↓	\$7,862,556 ↑	63.5% ↓
Black/African American	72 ↑	1.1% ↑↑	\$463,399 ↑	56.9% ↓
Hispanic	2204 ↑	34.1% ↓	\$14,029,406 ↑	58.5% ↓
Native Hawaiian or Other Pacific Islander	7↑	0.0%	\$13,315 ↓	41.8% ↓
Other Ethnicity or Race / Multi-Cultural	1,514 ↑	26.9% ↑	\$11,063,412 ↑	60.6% ↑
White	1,146 ↑	18.4% ↓	\$7,546,391 ↓	60.7% ↓
<b>Totals</b>	<b>5,874 ↑</b>	<b>100.0%</b>	<b>\$41,085,159 ↑</b>	<b>60.5% ↓</b>

**Age 3 Years to 21 Years**

Ethnicity	Total Persons	Percentage of Expenditures	Total Authorized	Utilized
American Indian or Alaska Native	13 ↓	0.1% ↔	\$119,773 ↓	68.4% ↑
Asian	1,804 ↑	17.5% ↓	\$15,208,333 ↓	66.6% ↓
Black/African American	167 ↓ ↑	1.7% ↓	\$1,476,695 ↓	66.8% ↑
Hispanic	3,796 ↑	28.3% ↓	\$24,672,656 ↓	62.7% ↓
Native Hawaiian or Other Pacific Islander	19 ↑	0.1% ↑	\$78,995 ↑	67.2% ↑
Other Ethnicity or Race / Multi-Cultural	1,654 ↓	18.3% ↓	\$15,925,185 ↓	63% ↓
White	2,304 ↑	34% ↑	\$29,615,939 ↓	71.9% ↓
<b>Totals</b>	<b>9,757 ↑</b>	<b>100.0%</b>	<b>\$87,097,575 ↓</b>	<b>66.7% ↑</b>

**Age 22 Years and Older**

Ethnicity	Total Persons	Percentage of Expenditures	Total Authorized	Utilized
American Indian or Alaska Native	21 ↑	0.3% ↔	\$1,044,925 ↑	89% ↑
Asian	1,309 ↑	11.1% ↓	\$38,395,565 ↑	83.2% ↓
Black/African American	237 ↑	3% ↑	\$10,535,654 ↑	85.2% ↑
Hispanic	2,455 ↑	18.9% ↑	\$65,155,229 ↑	82.2% ↑
Native Hawaiian or Other Pacific Islander	10 ↑	0.1%	\$249,373 ↑	81.1% ↓
Other Ethnicity or Race / Multi-Cultural	717 ↓	7.1% ↓	\$24,503,779 ↑	83.2% ↓
White	4610 ↑	59.5% ↑	\$205,617,093 ↑	85.6% ↓
<b>Totals</b>	<b>9,359 ↑</b>	<b>100.0%</b>	<b>\$345,501,617 ↑</b>	<b>84.3% ↓</b>



**Progress:** B. Review of fiscal year 2018-19 purchase of service data and regional center caseload data. Initial data generation will be compared to subsequent FY information.

B. Number of individuals receiving only case management services by age and ethnicity: Birth to age 2; Age 3-21; 22 and older.

**Birth to 2 Years Old**

Ethnicity	Total Eligible	Case Management	Percent No Services
American Indian or Alaska Native	8 ↓	1 ↑	12.5% ↑
Asian	923 ↓	32 ↔	3.5% ↑
Black/African American	72 ↑	2 ↓	2.8% ↓
Hispanic	2,204 ↑	108 ↑	4.9% ↑
Native Hawaiian or Other Pacific Islander	7 ↑	1 ↔	14.3% ↓
Other Ethnicity or Race / Multi-Cultural	1,514 ↑	59 ↑	3.9% ↑
White	1,146 ↑	43 ↓	3.8% ↓
<b>Totals</b>	<b>5,874 ↑</b>	<b>246 ↑</b>	<b>4.2% ↑</b>

**Age 3 Years to 21 Years**

Ethnicity	Total Eligible	Case Management	Percent No Services
American Indian or Alaska Native	13 ↓	2 ↔	15.4% ↑
Asian	1,804 ↑	466 ↑	25.8% ↑
Black/African American	167 ↓	67 ↑	40.1% ↑
Hispanic	3,796 ↑	1,564 ↑	41.2% ↑
Native Hawaiian or Other Pacific Islander	19 ↑	10 ↑	52.6% ↑
Other Ethnicity or Race / Multi-Cultural	1,654 ↓	411 ↓	24.9% ↓
White	2,304 ↑	522 ↓	22.7% ↓
<b>Totals</b>	<b>9,757 ↑</b>	<b>3,042 ↑</b>	<b>31.2% ↓</b>

**Age 22 Years and Older**

Ethnicity	Total Eligible	Case Management	Percent No Services
American Indian or Alaska Native	21 ↑	1 ↓	4.8% ↓
Asian	1,309 ↑	258 ↑	19.7% ↔
Black/African American	237 ↑	39 ↔	19.7% ↑
Hispanic	2,455 ↑	526 ↑	21.4% ↓
Native Hawaiian or Other Pacific Islander	10 ↑	3 ↑	30% ↑
Other Ethnicity or Race / Multi-Cultural	717 ↓	125 ↑	17.4% ↓
White	4,610 ↑	503 ↓	10.9% ↓
<b>Totals</b>	<b>9,359 ↑</b>	<b>1,455 ↑</b>	<b>15.5% ↓</b>



**Progress:** C. Review of fiscal year 2018-19 purchase of service data and Client Master File. Initial data generation will be compared to subsequent FY information.

C. Per capita purchase of service expenditures by individual's primary language for all ages (30 or more people with language).

<b>Primary Language</b>	<b>Total People</b>	<b>POS Authorized Per Capita</b>	<b>Percentage Utilized</b>
English	18,838 ↑	\$21,155 ↑	79.94% ↑
Spanish	4,527 ↑	\$11,257 ↓	71.78% ↓
Mandarin Chinese	74 ↑	\$11,539 ↓	71.62% ↑
Vietnamese	1,166 ↑	\$12,436 ↓	77.40% ↑
Korean	156 ↑	\$22,686 ↓	82.81% ↑
Tagalog	26 ↓	\$26,022 ↑	81.11% ↑
Arabic	42 ↑	\$11,639 ↓	67.68% ↑

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021  
TO: Board of Directors  
FROM: Larry Landauer  
Executive Director

ACTION	
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	X

SUBJECT: **Information Regarding Five Proposals Which Have Been Approved by the Department of Developmental Services to Fund Changes Necessary for Providers to Come into Compliance with the Final Rules for Home and Community-Based Services**

BACKGROUND:

In January 2014, the Centers for Medicare & Medicaid Services (CMS) issued final regulations, or rules, for Home and Community-Based Services (HCBS). The rules require that HCBS programs funded through Medicaid – called Medi-Cal in California – provide people with disabilities full access to the benefits of community living and offer services and supports in settings that are integrated in the community. This could include opportunities to seek employment in competitive and integrated settings, control personal resources, and engage in the community to the same degree as individuals who do not receive regional center services. The HCBS rules focus on the nature and quality of individuals’ experiences and not just the buildings where the services are delivered.

In recognition that some service providers may need to take steps toward modifying their services, the State has allocated funds for changes that will be necessary for providers to come into compliance with the HCBS rules by March 2023.

Service providers applied for funds through the regional centers and all submitted proposals were forwarded to the Department of Developmental Services (DDS). Final approval was made by DDS.

REASON FOR CURRENT ITEM:

DDS approved five proposals from RCOC’s service providers, please see attached summary.

FISCAL IMPACT:

DDS allocated \$460,746.00 which is equal to the amount of the approved proposals.

RECOMMENDATIONS:

This is an information item; no action is required.

Regional Center of Orange County Approved Concepts

PROVIDER	SERVICE CODE	VENDOR NUMBER	20/21 APPROVED FUNDING	COMMENT
AOC Residential Care	113	HM1393	\$60,000	May fund up to the approved amount for vehicles <sup>2</sup> to increase opportunities for participants in need of accessible transportation.
Gilbert Care Homes	915	HM0481 HM0482 HM0483 HM0484 HM0694 HM0881	\$192,880	May fund up to the approved amount for vehicles <sup>2</sup> to increase opportunities for participants in need of accessible transportation. Funds may also be used for training <sup>3</sup> that helps to implement sustainable person-centered practices at the program.
Gratitude Residential Care	915	HM1394	\$60,000	May fund up to the approved amount for vehicles <sup>2</sup> to increase opportunities for participants in need of accessible transportation.
Rosie Hall Family Home - Artesia	915	HM1992	\$66,000	May fund up to the approved amount for vehicles <sup>2</sup> to increase opportunities for participants in need of accessible transportation. Funds may also be used for the addition of a ramp to support accessibility for residents that are aging in place.
Vocational Visions	055 063 505 510 950	PM2401 PM0522 PM0109 H22820 HM1252 HM0371 HM0372 H13609	\$81,866	May fund up to the approved amount for staff positions <sup>1</sup> to establish program-wide opportunities for employment and community integration plans for all participants.

Regional Center of Orange County Approved Concepts

PROVIDER	SERVICE CODE	VENDOR NUMBER	20/21 APPROVED FUNDING	COMMENT
		H13715 P20827		
Total			\$460,746	

<sup>1</sup>Concepts that include ongoing staffing needs should pursue other resources to continue funding staffing costs that extend beyond the approved funding amount. Contracts that include staff or consultants should include how the benefits of additional positions, staff or consultants, will be sustained ongoing. Contracts that include staff or consultants hired for developing employment opportunities or community integration must include measurable goals for progress.

<sup>2</sup>As appropriate, instead of large passenger vans, providers should consider purchasing smaller vehicles to allow for more individualized community access. Contract milestones must demonstrate increased community involvement.

<sup>3</sup>Funds awarded for training purposes are intended to support sustainability of the training benefits over time. As appropriate, additional funds may have been added to this concept to support this intention. Regional centers should work with the provider on a plan for sustaining the benefits of the training, considering anticipated changes such as staff attrition. Progress reports must show how the delivery of services has changed since receiving training, and how that change is measured.

**DEPARTMENT OF DEVELOPMENTAL SERVICES**

1600 NINTH STREET, Room 320, MS 3-8  
SACRAMENTO, CA 95814  
TTY: 711  
(916) 654-1954



May 4, 2021

**TO:** REGIONAL CENTER EXECUTIVE DIRECTORS

**SUBJECT:** Home and Community-Based Services Regulations – Provider Funding Concepts

**Background**

In response to the January 13, 2021, [letter](#) from the Department of Developmental Services (Department), the Department received 296 total requests for funding from service providers. The purpose of this letter is to inform regional centers of the Department's decisions on these requests and to outline next steps for regional centers to develop a contract with each provider.

The Department reviewed all requests, or funding concepts, submitted by providers. Enclosure One identifies the total number of concepts submitted, and the number approved for funding. Concepts that identified a clear connection between the requested funding and specific federal requirements were considered for initial approval. The Department selected 172 concepts for funding. See Enclosure Two for a list of providers selected within each regional center catchment area.

Each regional center receives a list of the selected concepts for vendors within their catchment area with specific comments and/or recommendations for each concept. A copy of each approved concept will be posted by May 31, 2021, at <https://www.dds.ca.gov/initiatives/cms-hcbs-regulations/hcbs-compliance-funding/>.

**“Building Partnerships, Supporting Choices”**

## **Contract developments for Approved Concepts**

Regional centers must work with the providers selected for initial approval to develop a contract agreement for implementation. This includes development of a budget that, in total, may not exceed the amount approved by the Department. The costs for each line-item in the budget included in the final contract do not need to match the estimated costs submitted with the concepts so long as the total approved amount is not exceeded. Contracts must be finalized by June 30, 2021. The signed contract must include at a minimum:

- Details regarding the project, including specifics on how the funding will be used to increase compliance with the federal requirements;
- Details regarding how consumer input will be used in the development, implementation, and ongoing monitoring of the project;
- A detailed budget for the project;
- For projects involving the purchase of items or services, a justification (e.g., multiple quotes) of the cost-effectiveness of the purchase;
- A project timeline identifying key milestones related to specific measurable outcomes;
- Specific and measurable objective indicators to show progress toward compliance with the federal requirements;
  - Objective indicators should address how the funds will move the delivery of services toward compliance and address how changes in compliance will be measured. Progress toward compliance should be evaluated by the outcome the allocated funds produce. For example, funding approved for train-the-trainer certification may have interim objectives to obtain the certification and then train other staff once certified, but the outcome and progress should be evaluated based on how the training is being implemented on an individual level, and in what ways the program has changed the provision of services to be more person-centered.
- A requirement for quarterly reporting to the regional center on project implementation, including progress related to key milestones and measurable progress toward compliance with the federal requirements; and,
- A plan for the sustainability of the progress made toward compliance after contract completion.

Regional Center Executive Directors  
May 4, 2021  
Page three

If you have any questions regarding this letter or with finalizing approvals of the funding concepts and contracts, please contact Susan Crow, Chief, HCBS Regulations Section, at [susan.crow@dds.ca.gov](mailto:susan.crow@dds.ca.gov) or email [hcbregs@dds.ca.gov](mailto:hcbregs@dds.ca.gov).

Sincerely,

*Original signed by:*

MARICRIS ACON  
Deputy Director  
Department of Developmental Services

Enclosures

cc: Regional Center Consumer Services Directors  
Regional Center Administrators  
Regional Center Community Services Directors  
Regional Center HCBS Program Evaluators  
Amy Westling, Association of Regional Center Agencies

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021

TO: Board of Directors

FROM: Larry Landauer, Executive Director

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of Start-Up Funding Agreement with Service Provider, The James Homes, for Development of a Specialized Residential Facility (CRDP Project No. 2021-1)**

BACKGROUND:

The Department of Developmental Services (DDS) has made a special allocation to RCOC’s Community Resource Development Plan (CRDP) for the development of a Specialized Residential Facility (SRF). This facility will serve individuals who currently reside in a restrictive setting, such as a psychiatric hospital, crisis facility, or locked facility, or who are at risk of being placed in a restrictive setting.

The “buy it once” model will be used for development of this SRF, which separates ownership of the home from service delivery, so that a service provider can be changed without moving the residents. The Board previously approved agreements with non-profit housing corporation, Brilliant Corners, for acquisition and renovation of the home on January 9, 2020. Brilliant Corners will lease the home to the service provider.

REASON FOR CURRENT ITEM:

DDS has allocated \$250,000 in CRDP start-up funding for the service provider that will operate the SRF. In November 2019, RCOC posted a Request for Proposals (RFP) for a service provider; two responses were received. The RFP Review Committee evaluated the proposals and interviewed the applicants. Based on the proposals and interviews with both applicants, the RFP Review Committee recommends approval of a Start-Up Funding Agreement with Service Provider, The James Homes, for Development of a Specialized Residential Facility (CRDP Project No. 2021-1)

FISCAL IMPACT:

DDS has allocated \$250,000 in CRDP start-up funds for the restricted use as defined above.

RECOMMENDATION:

That the Board approve the Start-Up Funding Agreement as presented.

**AGREEMENT FOR START- UP FUNDS FOR  
SPECIALIZED RESIDENTIAL FACILITY (SRF)  
BETWEEN REGIONAL CENTER OF ORANGE COUNTY  
AND  
THE JAMES HOMES**

**CRDP PROJECT NO. 2021-1**

This agreement ("Agreement") is made and entered into on June 4, 2021, by and between the Regional Center of Orange County, a California nonprofit corporation ("RCOC") and Successful People, LLC dba The James Homes, a California limited liability company ("Contractor"). RCOC and Contractor shall be jointly referred to as the "Parties".

**RECITALS**

**WHEREAS**, RCOC provides services to persons with developmental disability (hereinafter "RCOC Persons Served") pursuant to a contract with the State of California, Department of Developmental Services ("DDS"); and

**WHEREAS**, DDS has allocated Community Resource Development Plan ("CRDP") Start-Up Funds ("Start-Up Funds") to RCOC to develop a new Specialized Residential Facility ("SRF") licensed by the California Department of Social Services ("DSS") to meet the long-term needs of adult RCOC Persons Served; and

**WHEREAS**, Contractor submitted a proposal ("Contractor's Proposal") to develop a SRF to serve RCOC Persons Served in response to RCOC's Request for Proposal dated November 12, 2019 ("RFP"); and

**WHEREAS**, RCOC desires to assist Contractor in developing a SRF to serve RCOC Persons Served who currently reside in a restrictive setting such as a psychiatric hospital, crisis facility, or locked facility, or who are at risk of being placed in a restrictive setting; and

**WHEREAS**, Contractor will lease a residence owned by Brilliant Corners Non-Profit Housing Corporation and developed for use as an SRF (the "Residential Facility"); and

**WHEREAS**, Contractor shall operate the Residential Facility and be responsible for furnishing the Residential Facility to create a home-like setting and the provision of long-term care for RCOC Persons Served placed in the Residential Facility; and

**WHEREAS**, after the Start-Up phase has been completed, the Parties will enter into a service agreement for the provision of long-term care for each RCOC Persons Served placed at the Residential Facility ("Service Agreement"); and

**WHEREAS**, Contractor agrees and understands that RCOC will provide the referrals for placement at the Residential Facility and that the Contractor may not refuse to accept otherwise appropriate placements;

**NOW THEREFORE**, on the basis of the foregoing Recitals and in consideration of the covenants, conditions and representations contained in this Agreement, it is mutually agreed between the Parties as follows:

1. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the Parties, pertaining to the subject matter contained herein and supersedes all prior agreements, representations, and understandings of the Parties, either oral or written. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both Parties. The recitals set forth above are fully incorporated herein.

2. TERM OF THE AGREEMENT

Subject to the provisions for earlier termination provided herein, the term of this Agreement shall be from June 4, 2021 to the earlier of the date this Agreement is terminated by RCOC or Contractor no longer provides services to RCOC Persons Served at the Residential Facility. Upon completion of the final Milestone, the Parties will subsequently enter into a Service Agreement for the provision of on-going services for each RCOC Client referred to the Residential Facility.

3. CONTRACTOR COMPENSATION

The total not to exceed compensation payable by RCOC to Contractor is Two Hundred Fifty Thousand Dollars (\$250,000.00). It is understood and agreed that the Start-Up Funds provided under this Agreement may not cover the complete cost of Contractor's obligations under this Agreement. Any additional funds that Contractor may need to fulfill its obligations to meet the requirements of this Contract shall be contributed by Contractor as set forth in Paragraph 4 of this Agreement. To the extent that any Start-Up funds are paid, but not used by Contractor as authorized by this Agreement, they shall be returned to RCOC within 10 RCOC business days of demand, which funds will then be returned to the State.

4. SERVICES TO BE PERFORMED BY CONTRACTOR

- a. Contractor agrees to provide services as specified in this Agreement, which Agreement includes the RFP and Contractor's Proposal. The RFP is attached hereto as Exhibit A and incorporated herein by reference. Contractor's Proposal is attached to this Agreement as Exhibit B, and incorporated herein by reference. These Agreement documents are to be interpreted as complementary, but in the event of any conflict among the Agreement documents, the order of precedence shall be this Agreement, the RFP and Contractor's Proposal.
- b. Contractor shall develop a Specialized Residential Facility (hereafter referred to "SRF") meeting the requirements of Miscellaneous Service Code 113 assigned by DDS pursuant to Title 17, California Code of Regulations ("Title 17"), section 54356 and described below. The SRF shall have the capacity to serve four (4) adult RCOC Persons Served per SRF who are moving from a restrictive setting, such as a psychiatric hospital, crisis facility, or locked facility, or who are at risk of being placed in a restrictive setting. Contractor shall be responsible for the

following activities associated with the development of the SRF including but not limited to, identification of appropriate property meeting RCOC's approval, securing control of the property, submission of licensing applications and completion of all requirements applicable to obtaining a license from the Department of Social Services as an SRF with a capacity of four (4) non-ambulatory residents per facility, completion of building improvements to meet licensing requirements and to enhance consumer safety and quality of life, furnishings, and staff training to ensure competency of staff to deliver services as specified in the program design. In order to assist Contractor with the development of said property to serve RCOC Persons Served who are at risk of placement in a restrictive setting, RCOC shall reimburse Contractor for certain start-up activities necessary to meet licensing requirements and to enhance resident safety and quality of life.

- c. Miscellaneous Service Code 113 is defined by DDS as follows:

“113--DSS Licensed - Specialized Residential Facility (Habilitation)

SERVICE DESCRIPTION: A regional center shall classify a vendor as a DSS Licensed-Specialized Residential Facility provider if the vendor operates a residential care facility licensed by the Department of Social Services (DSS) for individuals with developmental disabilities who require 24 hour care and supervision and whose needs cannot be appropriately met within the array of other community living options available.

Primary services provided by a DSS Licensed-Specialized Residential Facility may include personal care and supervision services, homemaker, chore, attendant care, companion services, medication oversight (to the extent permitted under State law) and therapeutic social and recreational programming, provided in a home-like environment. Incidental services provided by a DSS Licensed-Specialized Residential Facility may include home health care, physical therapy, occupational therapy, speech therapy, medication administration, intermittent skilled nursing services, and/or transportation, as specified in the IPP. This vendor type provides 24 hour on-site response staff to meet scheduled or unpredictable needs in a way that promotes maximum dignity and independence, and the provision of supervision and direct care support to ensure the consumers' health, safety and well-being. Other individuals or agencies may also furnish care directly, or under arrangement with the DSS Licensed-Specialized Residential Facility, but the care provided by these other entities must supplement the care provided by the DSS Licensed-Specialized Residential Facility and does not supplant it.

Regional Center monitoring of the DSS Licensed-Specialized Residential Facility shall be in accordance with the applicable state laws and licensing regulations, including Title 17, and the regional center admission agreement. Payment for services in a DSS Licensed-Specialized Residential Facility must be made pursuant to Title 17, Section 56919 (a), after the regional center obtains approval from the Department for payment of the prevailing rate or, pursuant to Welfare & Institutions Code, Section 4648 (a)(4), the regional center may contract for the provision of services and supports for a period of up to three years, subject to the availability of funds.”

- d. Contractor's residential program will include a program of daytime support services, Monday through Friday, for RCOC Persons Served who reside in the SRF and whose

Individual Program Plans (IPP's) indicate daytime supports as the appropriate programming option. The daytime support services shall be individualized, and shall include meaningful community-based activities to achieve the outcomes identified in each consumer's IPP.

- e. Contractor shall develop a program design/plan to operate the Residential Facility that meets the requirements of operation set forth in Title 17 of the California Code of Regulations (“Title 17”) and Title 22 and the specifications contained with the RFP and Contractor Proposal. Contractor agrees to provide services in accordance with this program design/plan once RCOC Persons Served begin residing at the Residential Facility.
- f. Contractor shall provide services only to RCOC Persons Served. The RCOC Persons Served referred to the Residential Facility will have one or more of the following developmental disabilities—mild to severe intellectual disability, cerebral palsy, epilepsy, autism, an Axis I mental health diagnosis as defined in the DSM-V, severe self-care deficits, deficits in speech and hearing, and/or health related conditions that require restricted or non-restricted health care plans. RCOC and Contractor will negotiate a rate for ongoing services provided by Contractor to RCOC Consumers, but in no event shall such rate exceed the applicable maximum DDS median rate.
- g. Contractor agrees to have all staff and consultants that will provide services at the Residential Facility trained and employed prior to the placement of the first RCOC Person Served.
- h. The Residential Facility shall be fully operational and ready to provide services to RCOC Persons Served no later than June 30, 2022. The Parties agree that having the Residential Facility operational by the above date is dependent in part on it being developed by Brilliant Corners and execution of a lease as between Brilliant Corners and Contractor. Contractor shall exercise all due diligence on its part to meet the operational date set forth above

5. NOTICES

All correspondence, notices, requests and demands shall be deemed received and effective five (5) days from mailing. All notices and demands shall be served by registered or certified mail. All correspondence, notices, requests and demands are to be delivered to the respective Agreement managers at the following addresses:

**If to the RCOC:**

Jack Stanton  
Associate Director, Housing  
Regional Center of Orange County  
1525 North Tustin Avenue  
Santa Ana, CA 92705  
Phone: (714) 796-5100  
E-mail: jstanton@rcocdd.com

**With a Copy to:**

Christina Petteruto  
General Counsel  
Regional Center of Orange County  
1525 North Tustin Avenue  
Santa Ana, CA 92705  
Phone: (714) 796-5100  
E-Mail: cpetteruto@rcocdd.com

**If to the Contractor:**

Frances James Snoddy  
Chief Executive Officer  
The James Homes  
4712 W. Admiralty Way #273  
Marina Del Rey, CA 90202  
Phone: (310) 902-4893  
E-mail: jfrances4@gmail.com

6. CONTRACTOR INVOICE

- a. Contractor shall submit electronic invoices and reports in a form required by RCOC, as described in this paragraph, to RCOC, at the time of completion of any of the milestones described in Exhibit D ("Milestones"), which is attached hereto and incorporated by reference. Each report shall contain the following information: date, amount claimed, with supporting documentation for each of the milestones completed, any difficulties encountered in the completion of one (1) or more the milestones, remedial action taken, and any additional time needed to accomplish the subsequent milestones as a result of the difficulties.
- b. All final documentation supporting all of the Milestones shall be submitted by the Contractor within thirty (30) days after the placement/admission of the first RCOC Persons Served, except as may be otherwise approved by RCOC. Final payment shall be withheld until after receipts are reconciled by RCOC and all required documentation has been submitted.

7. MONITORING BY RCOC

RCOC has the authority to monitor Contractor's performance under this Agreement. Contractor shall extend its full cooperation to RCOC in performance of monitoring activities.

8. AUDIT AND INSPECTION OF RECORDS

- a. Contractor agrees to maintain and make available to RCOC and to DDS accurate books, invoices, receipts and accounting records relative to its costs and expenses (hereinafter collectively referred to as the "records") to the extent and in such detail as will properly reflect all net costs, direct and indirect, of labor, materials, equipment, supplies and services or other costs and expenses of whatever nature for which reimbursement is claimed under the provisions of this Agreement.

- b. Contractor will permit RCOC, DDS, and any authorized agency representative with oversight responsibilities to audit, examine and make excerpts, reproductions and transcripts from such records related to all matters covered by this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five (5) years after final payment under this Agreement, or until after a final audit has been resolved, whichever is later. The records shall be available during RCOC's regular business hours.
- c. All audits shall be conducted in accordance with the provisions of Section 50606 of Title 17. Contractor shall be bound by Section 50700, *et seq.*, of Title 17 should Contractor elect to appeal any audit finding or recommendation.
- d. The State of California and any federal agency having an interest in the subject of this Agreement shall have the same rights conferred upon RCOC by this section.
- e. Contractor shall accept financial liability for any and all audit findings and/or recommendations disclosed by audit and promptly repay amounts owed unless such findings and/or recommendations are appealed and liquidation is stayed pursuant to Section 50705 of Title 17.

9. MANNER OF PAYMENT OF FUNDS

- a. RCOC will make the first payment to Contractor upon satisfaction of the terms and conditions outlined in Exhibit C of this Agreement, Guidelines for Using Start-Up Funding, (the "Guidelines") for disbursement of payment for Milestone #1 and upon receipt of a fully executed copy of this Agreement. Thereafter, Contractor will be reimbursed for costs in the manner described in the Guidelines upon completion of the remaining Milestones.
- c. The payments hereunder shall be made in accordance with the Guidelines and approval of the invoices and reports by RCOC. RCOC will pay such invoices within 30 days of approval thereof.

10. EQUIPMENT AND MATERIALS ARE PROPERTY OF THE STATE

- a. All equipment, material, supplies, or property (collectively, "Property") of any kind purchased from Start-Up Funds and not fully consumed shall be the property of the State. Contractor shall submit a list of any Property with a unit cost of \$2,000 using a form approved by RCOC. Within 30 days after the first RCOC Client has been placed into the Residential Facility, the Contractor shall provide a final inventory to RCOC. Final determination of the destination of such equipment shall be in accordance with instructions from the State.
- b. In the event that this Agreement terminates prior to the expiration of its term or thereafter, if instructed by DDS, RCOC may repossess any Property.
- c. Contractor agrees that all reports and documents produced as part of this Agreement shall remain the property of DDS and/or RCOC.

11. CONTRACTOR'S USE of START-UP FUNDS

- a. The Guidelines shall be followed in determining Contractor expenditures which are allowable for reimbursement.
- b. Prior written authorization from RCOC will be required for expenditures not previously approved through the Contractor's Proposal, this Agreement or

Exhibit C, before any reimbursement will be made. In seeking such authorization, the Contractor must submit a request for authorization which includes sufficient information for RCOC to evaluate the desirability of incurring such costs and its reasonableness. This may include, but is not limited to, copies of receipts, licenses, permits, bank statements, work orders, etc.

12. VENDOR STATUS NEEDED

Contractor will comply with all applicable RCOC vendor requirements to obtain and preserve a current vendor status.

13. OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress or the State Legislature shall share in or receive any financial benefit of this Agreement.

14. NONDISCRIMINATION IN SERVICES, BENEFITS, AND FACILITIES/PROGRAMS

- a. During the performance of this Agreement, Contractor and its subcontractor(s) shall not discriminate against any person on the basis of religion, color, ethnic group identification, sex, sexual orientation, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age (over 40), sex or sexual orientation. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.
- b. Contractor and its subcontractor(s) shall give written notice of their obligations, where applicable, under this paragraph to labor organizations with which they have a collective bargaining or other agreement.
- c. Contractor shall include the nondiscrimination and compliance provisions of this paragraph in all subcontracts to perform work under this Agreement.
- d. In the event of the Contractor's noncompliance with the discrimination provisions of this Agreement or with any applicable Federal rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and Contractor may be declared ineligible for further State contracts as provided by law.
- e. RCOC may take such action with respect to this Agreement as the State of California may direct as a means of enforcing provisions pertaining to discrimination, including sanctions for noncompliance.

15. TERMINATION

- a. It is expressly understood and agreed that in the event that Contractor fails to perform its obligations under this Agreement, this Agreement may be terminated by RCOC for cause and all of Contractor's rights hereunder shall be terminated. Such termination for cause shall be effective immediately upon delivery of written notice thereof by RCOC. Immediately upon receipt of such written notice, Contractor shall, unless otherwise directed by RCOC, commence no new work and shall cease all work already begun under this Agreement. Within 14 calendar days after receipt of such written notice, Contractor shall provide RCOC with a list of all Property purchased with Start-Up Funds and shall surrender same as requested by RCOC.

- b. In the event Contractor fails to operate the Residential Facility for a period of five years, Contractor shall surrender the Property and return 1/5th of the Start-Up Funds received by Contractor for each year or portion thereof rounded to the nearest month, that the Residential Facility is not operated for the five-year period. By way of example, if the Residential Facility is operated for only three years the Contractor shall return 40% of the Start-Up Funds received. The formula for calculating the amount to be returned is: [(60 months – months of Contractor operation) ÷ 60 months] times the amount of Start-Up Funds received. In the above example the Contractor would return \$80,000.  $60 - 36 = 24$ ;  $24 \div 60 = 40\%$ ;  $40\% \times \$200,000 = \$80,000$ . As required by DDS, Contractor shall issue a trust deed to RCOC on the Property on a form reasonably satisfactory to RCOC and meeting DDS requirements.
- c. RCOC shall have the right to suspend or terminate this Agreement for cause upon the occurrence of a number of factors which include, but are not limited to, the following:
  - (1) Failure or refusal of the Contractor to perform or do any act herein required.
  - (2) Conduct or conditions which are detrimental to the safety and well-being of a RCOC Person Served.
  - (3) Contractor's loss of any license(s), accreditation(s), or certification(s) required for this Agreement.
  - (4) Failure to maintain practices consistent with good management, such as, but no limited to:
    - (A) Failure to maintain any required insurance, pay payroll taxes or other payments required by law.
    - (B) Failure to adhere to established accounting and fiscal practices for the work provided under this Agreement.

## 16. FUNDING CONTINGENCY

a. Notwithstanding anything in this Agreement to the contrary, the validity of this Agreement (including RCOC's obligation to remit payments to Contractor) is conditioned on RCOC's receipt of adequate funds from DDS to pay for the services described in this Agreement (the "Funding Contingency"). The Funding Contingency is a part of this Agreement because RCOC's annual funding agreement with DDS provides that such funding agreement is subject to the appropriation of funds by the Legislature, and that if such funds are not appropriated for any fiscal year into which such funding agreement extends, the funding agreement is of no force and effect. Further, in the annual funding agreement DDS will specifically allocate a specific amount of funding for the SRF covered by this Agreement. RCOC shall therefore have the right and option to terminate this Agreement without liability, and such termination shall be deemed a failure of the Funding Contingency, if (1) DDS for any reason fails to allocate funds to RCOC for any period covered by this Agreement for a SRF; or (2) DDS allocate funds to RCOC for a period covered by this Agreement which RCOC reasonably determines are inadequate to pay for all of the Contractor services and other expenses which RCOC expects to incur in such fiscal year as to any SRF. In such an event, RCOC has the absolute discretion to elect to fund other services rather than the services identified in this Agreement. When insufficient funds exist for RCOC to pay for all potential services to its consumers, RCOC shall have the right, under clause (2) above, in its sole and absolute discretion to fund services other than the services identified in this Agreement, based on which

services RCOC believes are in the best interests of its persons served. If there is a failure of the Funding Contingency, then (1) RCOC shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and (2) neither party shall be obligated to further perform any provisions of this Agreement.

b. In addition to the above, if there are insufficient funds available from DDS to pay for all of the Contractor services and other Community Resource Development Plan expenses which RCOC expects to incur in any fiscal year, as determined by RCOC in its sole and absolute discretion, RCOC shall have the option at any time, on 30 days' notice to Contractor, to reduce the amount of services being provided under this Agreement. In such event, the parties will in good faith negotiate to attempt to agree on Contractor's new amount of compensation under the modified agreement. If the parties are unable to agree on Contractor's new compensation for its reduced services within such 30 day period, RCOC shall then either (1) terminate this Agreement because of the failure of a Funding Contingency or (2) rescind its reduction of Contractor's services, in which event this Agreement shall continue in full force and effect without such reduction in services or compensation.

17. APPLICABLE LAWS

Contractor shall render services in accordance with the applicable provisions of federal and California laws, including Welfare and Institutions Code § 4500 et seq., and regulations promulgated there under including Title 17.

18. INDEPENDENT CONTRACTOR

Contractor will act as an independent contractor and is not an employee, officer, agent, partner, or joint venture of RCOC by virtue of this Agreement. Contractor agrees that its workers performing services under this Agreement shall be either (1) employees of Contractor, or (2) shall meet all of the following three requirements to qualify as independent contractors: (a) be free from control and direction of Contractor; (b) perform work that is outside the usual course of Contractor's business; and (c) be customarily engaged in an independently established trade, occupation, or business of the same nature as the work the individual performs for Contractor. Contractor will defend, indemnify, and hold RCOC harmless from any claims, demand, liabilities, costs, and expenses arising from Contractor's misclassification of workers providing services as independent contractors under this Agreement.

19. ASSIGNMENT, TRANSFER AND SUBCONTRACTING

- a. Contractor shall not assign any part of this Agreement or an interest therein, without the prior written approval of the Director of RCOC. The experience, skill, knowledge, good judgment, discretion, capability and reputation of Contractor, its principles, officers, directors, owners and employees were a substantial inducement for RCOC to enter into this Agreement.
- b. RCOC shall not be responsible for any payments of any kind directly to any subcontractors under any circumstance and shall not have any liability for any actions of any subcontractors.

20. AMENDMENT BY LAW

Any provision of this Agreement in conflict with statutes or regulations is hereby amended to conform to the provisions of those statutes and regulations. Such amendment of the Agreement shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the Parties.

RCOC must in good faith notify Contractor upon its gaining notice of any amendment or new law which would affect this Agreement. If the amendment or any portion of this Agreement is held to be unenforceable and would substantially defeat the reasonable expectations of the Parties in entering into this Agreement then this Agreement may be terminated by either Party.

21. CONFIDENTIALITY OF RECORDS

The Contractor shall maintain confidentiality of records in accordance with applicable law, including, but not limited to, the provisions of Welfare and Institutions Code §§4514, 5328, and 14100.2.

22. TIME OF THE ESSENCE

Time is of the essence in the performance of this Agreement.

23. FUTURE COOPERATION

Contractor agrees to cooperate with RCOC and will return as soon as possible all documents submitted by RCOC which may be required by state or federal laws or regulations, including but not limited to the IRS W-9 form.

24. INDEMNITY AND HOLD HARMLESS AGREEMENT

Contractor shall indemnify, defend and hold harmless the DDS, RCOC, and their officers, agents and employees (collectively, "Indemnified Parties") from and against all alleged claims, causes of action, suits, judgments, investigations and losses (collectively, "Indemnified Claims") arising out of or related to the following:

- a. Any alleged culpable act, error, omission, negligence, fraud, recklessness or willful misconduct of Contractor or by any person, firm, corporation or other entity rendering any services under this Agreement on behalf of the Contractor, either directly or indirectly.
- b. Any failure by Contractor to perform services under this Agreement.
- c. To the extent permitted by law, any claim that RCOC failed to sufficiently monitor Contractor's care and supervision of an RCOC Client.
- d. Contractor at its own expense and risk shall defend any Indemnified Claim brought against the Indemnified Parties with attorneys that are reasonably satisfactory to the Indemnified Parties. A Indemnified Party may assume its own defense by delivering written notice to Contractor of such election and Contractor shall pay therefore if a conflict exists in the litigation as between the Indemnified Party and the Contractor, the Contractor is not providing an effective defense, or the Contractor lacks the financial capability to satisfy potential liability and/or an effective defense. Contractor shall pay and satisfy any settlement or any judgment which may be rendered against the Indemnified Parties from an Indemnified Claim; provided that this indemnity section shall not apply to claims arising out of the active negligence or willful misconduct of the Indemnified Parties.

25. WAIVER

No waiver of a breach of any provision of this Agreement by either Party shall constitute a waiver of any other breach of this Agreement. Failure of either Party to enforce at any time, or from time to time, any provisions of this Agreement shall not be construed as a

waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

26. DISPUTE AND ATTORNEYS' FEES

26.1. The parties agree that any dispute arising out of this Agreement shall be subject to the following:

26.1.1. If the dispute is of a type governed by the vendor appeal process, then the dispute shall be resolved in accordance with Title 17 regulations.

26.1.2. In the event of any dispute or litigation, including arbitration, arising out of, or relating to this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

27. INSURANCE

Without limiting Contractor's liability for indemnification of RCOC as set forth in Section 24 above, Contractor shall obtain and maintain in effect, during the term of this Agreement, the following insurance coverage and provisions:

a. Evidence of Coverage. Prior to commencement of any work under this Agreement, Contractor shall provide on an insurance industry approved form a Certificate of Insurance certifying that coverage as required in this Paragraph 27 has been obtained and remains in force for the period required by this Agreement. In addition, Contractor shall produce a certified copy of the policy or policies to RCOC upon request. Each policy shall meet the following requirements:

i. Additional Insured Endorsement. Except for Worker's Compensation insurance, each policy shall include an endorsement evidencing that the policy also applies to RCOC and DDS, their officers, directors, agents, employees and volunteers, as additional insureds against loss or liability caused by or connected with Contractor's performance or non-performance under this Agreement.

(1) Primary Insurance Endorsement. Each policy shall include an endorsement evidencing that the policy afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by DDS or RCOC, their officers, directors, agents, and employees shall be excess only and not contributing with insurance provided under this policy.

ii. Notice of Cancellation or Change of Coverage Endorsement. Each policy shall include an endorsement evidencing that the policy

shall not be canceled or changed so as to no longer meet the specified RCOC insurance requirements without thirty (30) days prior written notice of the cancellation or change being delivered to RCOC at the address shown on the Certificate of Insurance.

- iii. Separation Clause Endorsement. Each policy shall include an endorsement evidencing that the policy provides coverage separately to each insured who is seeking coverage or against whom a claim is made or a suit is brought, except with respect to the company's limit of liability.
- iv. Termination of Insurance. If insurance is terminated for any reason, Contractor agrees to purchase an extended reporting provision of at least two (2) years to report claims arising from work performed, or any action or any inaction in connection with this Agreement.
- v. Qualifying Insurers. All coverages shall be issued by insurance companies that must be:
  - (1) Rated A-:VII or better according to the current Best's Key Rating Guide/Property-Casualty/United States; or
  - (2) A company of equal financial stability that is approved by Project Manager or his/her designee; and
  - (3) Admitted in the State of California.
- vi. Deductible Amounts in Standard Policy. Any policy deductible or self-insured retention on any insurance policy (except auto) which exceeds \$10,000 requires prior written approval of Project Manager or his/her designee. Any policy deductible or self-insured retention on automobile liability over \$5,000 requires prior written approval of RCOC. No approved deductible shall in any way limit liabilities assumed by Contractor under this Agreement.
- vii. Subcontractor Insurance Requirements. Should any of the Services under this Agreement be provided by a subcontractor, Contractor shall require each subcontractor (of any tier) to provide the coverages specified in this Section 27, or Contractor may insure any subcontractor under its own policies.
- viii. Occurrence vs. Claims Based Insurance. All policies are required to be written on an occurrence basis.

- b. Types of Insurance Policies/Coverage Required. Contractor shall provide insurance through a policy or policies with the following types and coverage, subject to the requirements above.
- i. Comprehensive General Liability Insurance. Comprehensive General Liability Insurance for bodily injury (including death) and property damage which provides not less than One Million Dollars (\$1,000,000) combined single limit (CSL) per occurrence and not less than Two Million Dollars (\$2,000,000) annual aggregate.
    - (1) The coverage shall include:
      - (a) Premises and Operations
      - (b) Contractual Liability expressly including liability assumed under this agreement, excepting the requirement does not apply for service contracts.
      - (c) Personal Injury Liability.
      - (d) Property damage.
  - ii. Comprehensive Automobile Liability Insurance. Comprehensive Automobile Liability Insurance for bodily injury (including death) and property damage which provides total limits of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles/watercraft, One Million Dollars (\$1,000,000) annual aggregate.
  - iii. Workers' Compensation Insurance. Workers' Compensation Insurance shall be maintained. Statutory California Workers' Compensation coverage shall include a broad form all-states endorsement and waiver of subrogation.
  - iv. Employers' Liability Coverage. Employers' Liability Coverage of not less than One Million Dollars (\$1,000,000) per occurrence for all employees engaged in work or operations under this Agreement.
  - v. Professional Liability. Professional liability/errors and omissions is required in an amount not less than One Million Dollars (\$1,000,000) per occurrence made and One Million Dollars (\$1,000,000) aggregate.
  - vi. Sexual Misconduct Liability. Sexual misconduct liability insurance in an amount equal to One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) aggregate.

- c. Duration of Insurance. Contractor shall maintain all coverage and insurance for the entire term and for any extended period agreed upon within this Agreement.
- d. Maintain Records re Insurance Coverage. Contractor shall maintain records regarding all coverage and insurance for the term of this Agreement and for any extended period agreed upon within this Agreement.
- e. Withhold Payment for Lack of Required Coverage. RCOC reserves the right to withhold payment of CPP Funds in the event of material noncompliance with the applicable insurance requirements outlined in this Section 27.
- f. Remedies for Failure to Provide or Maintain Required Insurance or Endorsements. In addition to any other remedies RCOC may have if Contractor (or any subcontractor) fails to provide or maintain any insurance required by this Section 27 to the extent and within the time required by this Agreement, RCOC may, at its sole option:
  - i. Obtain the insurance and deduct and retain the amount of the premiums for the insurance from any monies due under this Agreement.
  - ii. Order Contractor (and any subcontractor) to cease performance of the work and/or withhold funding until Contractor (or subcontractor) demonstrates compliance with the insurance requirements of this Agreement.
  - iii. Immediately and without further cause terminate this Agreement. Exercise of any of the above remedies are in addition to any other remedies RCOC may have and are not the exclusive remedies for Contractor's (or subcontractor's) failure to maintain or secure appropriate policies or endorsements. Nothing in this Agreement shall be construed as limiting in any way the extent to which Contractor (or any subcontractor) may be held responsible for payments of damages to persons or property resulting from Contractor's (or any subcontractor's) performance under this Agreement.
- g. Modification of Insurance Requirements. RCOC may modify the insurance requirements set forth above if at any time during the term of this Agreement RCOC determines, in its sole discretion, that additional coverage is necessary to protect RCOC's interests.

28. AUTHORITY TO SIGN

All Parties executing this Agreement acknowledge and warrant that they possess the authority to enter into this Agreement on behalf of their respective companies/organizations.

29. INTEGRATION CLAUSE/AMENDMENT

This Agreement, including its attachments and references, is intended as a final expression of the agreement among the Parties. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all the Parties. The execution of any amendment or modification to this Agreement shall comply with the requirements of applicable statutes, regulations and provisions of RCOC's contract with DDS. Provided that an amendment or modification does not alter the overall goals and basic purpose of this Agreement or increase the not to exceed amount set forth in Section 3, RCOC's Manager of Consumer and Community Resources has the authority to, make modification(s) to this Agreement. Any such modifications shall be approved as to form by RCOC's General Counsel.

30. THIRD-PARTY BENEFICIARIES

Except as specifically provided herein, the Parties do not intend this Agreement to create a third party beneficiary or define duties, obligations, or rights in parties not signatory to this Agreement.

31. HEADINGS

The headings at each paragraph are for reference purposes only and may not accurately describe all requirements in the paragraph. The headings are not an integral part of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

Signature of Authorized Representatives of Contracting Parties:

“RCOC” – Regional Center of Orange County

By: \_\_\_\_\_

Larry Landauer, Executive Director

“CONTRACTOR”

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

**Exhibit A**

**REQUEST FOR PROPOSALS**

**Exhibit B**

**CONTRACTOR PROPOSAL (Not including financial information)**

**Exhibit C**

**GUIDELINES FOR USING START-UP FUNDING**

**I. General Budget Provisions**

- A. Payment provisions in Start-Up Funds (SUF) contracts are on a cost-reimbursement or a fixed unit rate basis, with a ceiling specified on the maximum dollar amount payable by the regional center for each milestone identified in this Agreement.
- B. The SUF contract sets forth the type of facility, service, or program to be developed and may indicate, as well, additional provisions or limitations on reimbursable items specific to that type of service. The SUF contract takes precedence over this guideline.
- C. Reimbursement on SUF contracts commence by submitting verification of paid expenditure to:

Name: Jack Stanton  
Title: Associate Director, Housing  
Regional Center of Orange County  
1525 North Tustin Avenue  
Santa Ana, CA 92705  
Phone: (714) 796-5100  
E-mail: jstanton@rcocdd.com

Verification of expenditures requires copies of receipts indicating payment in full by cash or credit card purchase. Lay-a-way items may only be reimbursed for the amount of the deposit or payments made. In the case of personnel costs, a copy of the payroll record or check for salary paid will be acceptable. For lease or rent payments, copies of the signed lease/rental agreement will also be needed.

- D. Milestone contracts are occasionally completed for specific projects. The contract specifies the tasks to be completed for each milestone. Requests for payment may be made after each milestone is completed. Expenditures need to follow the SUF guideline and contract specifications.

**II. Personnel Services**

- A. A maximum of nine (9) months of identified and reasonable direct personnel and overhead costs, including employee fringe benefits, may be reimbursed. Where salaries and wages are a reimbursable item, the following information should be included: monthly, weekly, or hourly rate, as appropriate personnel classification number of hours worked period worked (example: August 1 - 15, 2020). - If the employee has other duties with the organization, a percentage of personnel time to be charged to the contract needs to be specified.

**III. Administrative Overhead**

- A. Administrative overhead is an allowable cost only if there is a parent/corporate organizational staff involved with the project who will be expending staff time and resources not covered elsewhere in the project budget.
- B. If administrative overhead is claimed, the administrative overhead shall not exceed fifteen (15%) percent of the total SUF amount as outlined by California Welfare and Institutions Code Section 4629.7.

**IV. Consultants**

- A. Proposals submitted and accepted must state the rate of compensation to be paid to consultants. The rate shall be an hourly rate with a ceiling on the total amount. Consultants must be qualified to perform the stated service and services must be applicable to the development of the project.
- B. Consultants' rates must conform to either:
  - (1) Schedule of Maximum Allowances (Medi-Cal rate) for positions covered by that schedule; or
  - (2) Comparable State Civil Service positions; or
  - (3) The going (usual and customary) rate for similar work outside state service.
- C. If Option 3 is applicable, the amounts to be paid consultants depend upon the complexity and difficulty of the projects, the ongoing rate for similar work, and the qualifications and reputation of the individual(s) or firm being awarded the contract. The rates paid to consultants under Option 3 must have prior written approval of the RCOC.

**V. Real Property**

- A. Payments are not permitted for purchase or for construction, renovation, alteration, improvement, or repair of privately owned property which would enhance the value to such property to the benefit of the owner. SUF monies cannot be used for modifications that are solely aesthetic in nature or are not necessary to meet fire and life safety requirements.

**VI. Equipment**

- A. Examples of equipment which may or may not be purchased or purchased only with prior written approval from the regional center, or leased include:

<u>ITEM/EQUIPMENT</u>	<u>PURCHASE MAY BE ACCEPTABLE</u>	<u>THREE (3) MONTH LEASE</u>	<u>COMMENTS/EXCEPTIONS</u>
<u>Motor vehicles</u>	<u>NO</u>	<u>YES</u>	<u>May be leased for three (3) months during development of project</u>
<u>Computers</u>	<u>NO</u>	<u>YES</u>	<u>May be purchased only if part of a training program for clients, the approved proposal and the approved program design.</u>
<u>Camcorders cameras, fax machines, slide projectors, copy machines</u>	<u>NO</u>	<u>YES</u>	<u>May be purchased only if part of a training program for clients, the approved proposal, and the approved program design.</u>

<u>ITEM/EQUIPMENT</u>	<u>PURCHASE MAY BE ACCEPTABLE</u>	<u>THREE (3) MONTH LEASE</u>	<u>COMMENTS/EXCEPTIONS</u>
<u>Wall-to-wall carpeting</u>	<u>NO</u>	<u>N/A</u>	
<u>Area rugs</u>	<u>YES</u>	<u>N/A</u>	
<u>Shipping of furniture or truck rental*</u>	<u>YES</u>	<u>N/A</u>	*Prior approval required
<u>*Furniture, household appliances, linens, household supplies</u>	<u>*YES</u>	<u>YES</u>	<u>*Furniture needs to be new, sturdy, well-built, and appropriate for residential facility.</u>
<u>*Recreational equipment (games, TV, VCR, exercise equipment, mats)</u>	<u>* YES</u>	<u>N/A</u>	<u>*If for use in the facility/program and if appropriate for the type of service and clients served.</u>
<u>Warranties on appliances</u>	<u>NO</u>	<u>N/A</u>	

- B. All approved equipment of any kind purchased from funds reimbursed under the terms of the SUF contract is the property of the State of California. For the purpose of any SUF contract, "equipment" is considered any item purchased with SUF which has a unit acquisition cost of at least five thousand dollars \$5000 or a normal useful life of at least three (3) years. The Contractor must submit to the regional center a detailed inventory, including serial numbers, of any equipment that meets the above criteria. This inventory ("Items Acquired Under Start -Up Fund Contracts") is due within thirty (30) days of the end of the project's completion. The final SUP reimbursement will not be distributed until the regional center's receipt of the inventory.
- C. As a general rule, it can be assumed that equipment with a value under live thousand dollars \$5000 will be amortized and no longer be regional center property after three (3) years. For purposes of the SUF contract, equipment/item costs must be considered the sum of the costs of the items functioning together; e.g., mattress, box springs and frame. For questions concerning specific items over five thousand dollars \$5000, please contact the regional center's SUF

Liaison:

Name: Jack Stanton  
Title: Associate Director, Housing  
Regional Center of Orange County  
1525 North Tustin Avenue  
Santa Ana, CA 92705  
Phone: (714) 796-5100  
Email: jstanton@rcocdd.com

- D. Written pre-approval from the regional center is required for reimbursement of any article, supplies, or equipment exceeding one thousand dollars \$1,000 in cost (per unit). A justification, including the reasonableness of the cost, should be submitted prior to purchasing any such article.

- E. Equipment that is approved for lease may not be leased with an option to purchase. The provider shall provide the regional center with copies of signed leases for any equipment using SUF.
- F. All furniture, mattresses sets, and appliances purchased with SUF shall be new, sturdy and well-built. Written pre-approval from the regional center shall be obtained before purchasing previously owned furniture. Household supplies such as linens must be high quality. Comforters and bedspreads must cover the entire bed and coordinate with the room decor (e.g., no partial or non-matching sets).

**Exhibit D**

**MILESTONES**

**Milestone #1**

RCOC will make the first (1<sup>st</sup>) payment to Contractor based upon receipt of a fully executed copy of this Agreement and submittal of a new revised budget by the Contractor. Once RCOC approves the submitted budget, Contractor must receive prior written approval from RCOC for any line item changes in the amount of \$1,000 or greater. This payment will serve as the advance to initiate the performance of work described in Paragraph 4. The amount of this payment shall not exceed the sum of \$50,000, representing 20% of the total Agreement amount.

**Milestone #2**

The second (2<sup>nd</sup>) milestone claim may be submitted by the Contractor after completion of the Community Care Licensing Application for the Residential Facility and proof of submission to the applicable Community Care Licensing office. The amount of this claim shall not exceed the sum of \$50,000, representing 20% of the total Agreement amount.

**Milestone #3**

The third (3<sup>rd</sup>) milestone claim may be submitted by the Contractor after successful approval by RCOC and DDS of Contractor's Program Design that meets all applicable Title 17 and Title 22 regulations. The amount of this claim shall not exceed the sum of \$50,000 representing 20% of the total Agreement amount.

**Milestone #4**

The fourth (4<sup>th</sup>) milestone may be submitted in one or more claims with an invoice and receipts for RCOC approved expended start-up costs associated with facility development, including but not limited to, furnishings, appliances, equipment, and household supplies. These items must be included in the most currently approved Start-Up Budget. The amount of this claim shall not exceed the sum of \$50,000, representing 20% of the total Agreement amount.

**Milestone #5**

The fifth (5<sup>th</sup>) milestone may be submitted by the Contractor after successful completion of the Community Care Licensing process for the identified project and proof of Community Care License issued for a SRF to accommodate four (4) adult residents. The total amount claimable under this milestone shall not exceed the sum of \$25,000, representing 10% of the total Agreement amount.

### **Milestone #6**

The sixth (6<sup>th</sup>) milestone may be submitted in one or more claims with an invoice and receipt/s for each line-item as detailed in the Start-Up Budget. Any line item changes to this budget in the amount of \$1,000 or greater must have received prior written approval by RCOC. Contractor will only be reimbursed for those items identified in Exhibit D and only up to the maximum amounts identified in Exhibit D. The total amount claimable under this milestone (in one or more claims) shall not exceed the sum of \$25,000, representing 10% of the total Agreement amount.

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021

TO: Board of Directors

FROM: Larry Landauer, Executive Director

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

**SUBJECT: Approval of Property Acquisition Agreements with Non-Profit Housing Corporation, Brilliant Corners, for Development of Two (2) Enhanced Behavioral Supports Homes (CRDP Project No. 2021-3 and 2021-4)**

BACKGROUND:

The Department of Developmental Services (DDS) has made a special allocation to RCOC’s Community Resource Development Plan (CRDP) for the development of two (2) Enhanced Behavioral Supports Homes (EBSHs). These facilities will serve individuals with severe behaviors who currently reside in a restrictive setting, such as a psychiatric hospital, crisis facility, or locked facility, or who are at risk of being placed in a restrictive setting.

The “buy it once” model will be used for development of these EBSHs, which separates ownership of the homes from service delivery, so that a service provider can be changed without moving the residents. A non-profit corporation receives CRDP start-up funds to acquire and renovate a property; the non-profit corporation then leases the property to a service provider.

REASON FOR CURRENT ITEM:

DDS has allocated a total of \$700,000 (\$350,000 per home) in CRDP start-up funding for the acquisition of two properties to serve as EBSHs. In April of 2021, RCOC posted a Request for Proposals (RFP) for a non-profit housing corporation. Proposals were received from two applicants: Brilliant Corners and Key Community Housing, Inc. Based on the proposals and interviews with both applicants, the RFP Review Committee recommends approval of Property Acquisition Agreements with Non-Profit Housing Corporation, Brilliant Corners, for Development of Two (2) Enhanced Behavioral Supports Homes (CRDP Project No. 2021-3 and 2021-4)

FISCAL IMPACT:

DDS has approved \$700,000 in CRDP start-up funds for the restricted use as defined above.

RECOMMENDATION:

That the Board approve the Property Acquisition Agreements as presented.

**AGREEMENT**  
**BY AND BETWEEN**  
**REGIONAL CENTER OF ORANGE COUNTY**  
**AND**  
**BRILLIANT CORNERS**  
**FOR ACQUISITION OF HOUSING**  
**RCOC CRDP PROJECT NO. 2021-3**

This **AGREEMENT** (“Agreement”) is entered into and effective this \_\_\_\_\_ day of June, 2021 (“Date of Agreement”), by and between the **REGIONAL CENTER OF ORANGE COUNTY**, a California non-profit corporation located at 1525 N. Tustin Avenue, Santa Ana, California, hereinafter referred to as "RCOC," and **BRILLIANT CORNERS**, a California non-profit corporation located at 1390 Market Street Suite 405, San Francisco, California, hereinafter referred to as "NPO". This Agreement shall be administered by the Associate Director of Housing for RCOC or his/her designee (hereinafter referred to as the “Project Manager”).

**RECITALS**

A. WHEREAS, the Department of Developmental Services (DDS) has allocated Community Resource Development Plan Start-Up funds (CRDP funds) to RCOC for the purpose of developing permanent housing in the community that will be used exclusively, in perpetuity, by regional center persons served; and

B. WHEREAS, DDS Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan for Fiscal Year 2017-18, as amended, are applicable to the use of CRDP funds and allow regional centers to contract with non-profit organizations to acquire property and/or modify existing housing to meet individuals’ unique needs; and

C. WHEREAS, NPO desires to acquire property to be used for the development of an Enhanced Behavioral Supports Home (EBSH) to serve regional center persons served; and

D. WHEREAS, DDS has approved the expenditure of up to Three Hundred Fifty Thousand Dollars (\$350,000) for RCOC to contract with the NPO to acquire property to be leased to a third-party service provider to operate an EBSH;

NOW, THEREFORE, based on the Recitals, and in consideration of the covenants, conditions and representations contained in this Agreement, RCOC and NPO agree as follows:

1. **SCOPE OF WORK.** NPO shall identify and acquire through purchase one (1) single family residence ("Property") to be leased to a third-party service provider and used in perpetuity as an EBSH, as set forth in the Scope of Work attached hereto as Exhibit "A" and incorporated herein by reference. For purposes of this Agreement "in perpetuity" shall mean a 99 year term.

2. **HOUSING GUIDELINES.** The provisions of the "Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan," as amended, and including Appendices "A" through "O," issued by DDS for Fiscal Year 2017-2018 and attached hereto as Exhibit "B" and incorporated herein by reference, ("Housing Guidelines") shall apply to this Agreement. In the event of any inconsistencies between the Housing Guidelines and this Agreement, the Housing Guidelines shall control.

3. **ALTERATION OF TERMS.** This Agreement, together with the Scope of Work, Exhibit "A", and the Housing Guidelines, Exhibit "B", that are attached to this Agreement and fully incorporated by this reference (together, "Exhibits"), express all understanding of the parties with respect to the subject matter of this Agreement, and shall constitute the total Agreement between the parties, except as otherwise expressly provided in this Section 3. No amendment, addition to, or alteration of, the terms of this Agreement, whether written or oral, shall be valid unless the amendment is made in writing and formally approved and executed by both parties, except as provided in this Section 3 in this Agreement.

a. **Project Manager Modification Authority.** Notwithstanding anything to the contrary and provided any modifications do not alter the overall goals and basic purpose of the Agreement, and provided these modifications do not increase RCOC's Maximum Payment Obligation during the term of the Agreement, Project Manager has the authority to, with the agreement of NPO, make modification(s) to the activities, tasks, deliverables, and/or performance timeframes specified in the Scope of Work in Exhibit "A" as described in this Agreement.

4. **STATUS OF NPO.** NPO will act as an independent contractor and is not an employee, officer, agent, partner, or joint venture of RCOC by virtue of this Agreement. NPO agrees that its workers performing services under this Agreement shall be either (1) employees of NPO, or (2) shall meet all of the following three requirements to qualify as independent contractors: (a) be free from control and direction of NPO; (b) perform work that is outside the usual course of NPO's business; and (c) be customarily engaged in an independently established trade, occupation, or business of the same nature as the work the individual performs for NPO. NPO will defend, indemnify, and hold RCOC harmless from any claims, demand, liabilities, costs, and expenses arising from NPO's misclassification of workers providing services as independent contractors under this Agreement.

5. **DELEGATION AND ASSIGNMENT.** NPO shall not delegate or assign or otherwise transfer its duties, nor assign its rights under this Agreement, either in whole or in part, without the prior written consent of Project Manager. The request must be in writing with a full explanation for the request. Any consent granted by Project Manager may be conditioned upon and subject to certain actions by NPO as determined by Project Manager. Any attempted assignment or delegation in derogation of this Section 5 shall be deemed void.

6. **GENERAL INDEMNIFICATION.**

a. **NPO Indemnification of RCOC.** NPO agrees that, except for the sole negligence of RCOC, NPO shall indemnify, defend, hold harmless RCOC, and its officers, agents, and

employees from and against any and all liability, claims, losses and demands, damages to property or injuries to or death of any person or persons, including property of directors, officers, employees, or agents of RCOC, including defense costs (together, "Claims"), whether resulting from court action or otherwise, resulting from, related in any manner to, or arising out of the performance of this Agreement by NPO, its officers, employees, agents, and/or its subcontractors. NPO, at its own expense and risk, shall defend any action, legal proceeding, arbitration, or mediation proceeding that may be brought against the RCOC, its directors, officers, agents and employees on any such claim or demand, and shall pay and satisfy any settlement, or any judgment which may be rendered against RCOC and/or against any of RCOC's directors, officers, agents or employees for any injuries or damages arising therefrom. NPO'S obligation to indemnify, defend, and hold harmless RCOC shall survive the term of this Agreement.

i. Without limiting NPO's indemnification, it is agreed that NPO shall maintain in force at all times during the term of this Agreement, the policy or policies of insurance covering its operations and performance under this Agreement in the form and amounts set forth in Section 7, which insurance obligations shall apply independently of all indemnification provided under this Agreement.

ii. No officer or director, no committee member, no employee, and no agent of RCOC shall be personally liable to NPO, or any successor in interest, (or to any subcontractor) in the event of any default or breach by RCOC or for any amount that may become due to NPO or to its successor (or subcontractor) or for breach of any obligation or the terms of this Agreement.

b. Cooperation with Claims. Each party to this Agreement shall cooperate with another party to this Agreement in the defense of any action brought for conduct resulting under this Agreement and shall make available to said party any and all records in their respective possessions or control reasonably required by a party for use in contesting or defending liability.

7. **INSURANCE.** Without limiting NPO's liability for indemnification of RCOC as set forth in Section 6 above, NPO shall obtain and maintain in effect, during the term of this Agreement, the following insurance coverage and provisions:

a. Evidence of Coverage. Prior to commencement of any Work under this Agreement, NPO shall provide on an insurance industry approved form a Certificate of Insurance certifying that coverage as required in this Paragraph 7 has been obtained and remains in force for the period required by this Agreement. In addition, NPO shall produce a certified copy of the policy or policies to RCOC upon request. Each policy shall meet the following requirements:

i. Additional Insured Endorsement. Except for Worker's Compensation, each policy shall include an endorsement evidencing that the policy also applies to RCOC and DDS, their officers, directors, agents, employees and volunteers, as additional insureds against loss or liability caused by or connected with NPO's performance or non-performance under this Agreement.

(1) Primary Insurance Endorsement. Each policy shall include an endorsement evidencing that the policy afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by DDS or RCOC, their officers, directors, agents, and employees shall be excess only and not contributing with insurance provided under this policy.

ii. Notice of Cancellation or Change of Coverage Endorsement. Each policy shall include an endorsement evidencing that the policy shall not be canceled or changed so as to no longer meet the specified RCOC insurance requirements without thirty (30) days prior written notice of the cancellation or change being delivered to Project Manager at the address shown on the Certificate of Insurance.

iii. Separation Clause Endorsement. Each policy shall include an endorsement evidencing that the policy provides coverage separately to each insured who is seeking coverage or against whom a Claim is made or a suit is brought, except with respect to the company's limit of liability.

iv. Termination of Insurance. If insurance is terminated for any reason, NPO agrees to purchase an extended reporting provision of at least two (2) years to report Claims arising from work performed, or any action or any inaction in connection with this Agreement.

v. Qualifying Insurers. All coverages shall be issued by insurance companies that must be:

(1) Rated A-:VII or better according to the current Best's Key Rating Guide/Property-Casualty/United States; or

(2) A company of equal financial stability that is approved by Project Manager or his/her designee; and

(3) Admitted in the State of California.

vi. Deductible Amounts in Standard Policy. Any policy deductible or self-insured retention on any insurance policy (except auto) which exceeds \$10,000 requires prior written approval of Project Manager or his/her designee. Any policy deductible or self-insured retention on automobile liability over \$5,000 requires prior written approval of Project Manager or his/her designee. No approved deductible shall in any way limit liabilities assumed by NPO under this Agreement.

vii. Subcontractor Insurance Requirements. Should any of the Services under this Agreement be provided by a subcontractor, NPO shall require each subcontractor (of any tier) to provide the coverages specified in this Section 7, or NPO may insure any subcontractor under its own policies.

viii. Occurrence vs. Claims Based Insurance. All policies are required to be written on an occurrence basis.

b. Types of Insurance Policies/Coverage Required. NPO shall provide insurance through a policy or policies with the following types and coverage, subject to the requirements above.

i. Comprehensive General Liability Insurance. Comprehensive General Liability Insurance for bodily injury (including death) and property damage which is consistent with the DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B", and which provides not less than One Million Dollars (\$1,000,000) combined single limit (CSL) per occurrence and not less than Two Million Dollars (\$2,000,000) annual aggregate.

(1) The coverage shall include:

- (a) Premises and Operations
- (b) Contractual Liability expressly including liability assumed under this agreement, excepting the requirement does not apply for service contracts.
- (c) Personal Injury Liability.
- (d) Property damage.

ii. Comprehensive Automobile Liability Insurance. Comprehensive Automobile Liability Insurance for bodily injury (including death) and property damage which provides total limits of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles/watercraft, One Million Dollars (\$1,000,000) annual aggregate.

iii. Workers' Compensation Insurance. Workers' Compensation Insurance shall be maintained. Statutory California Workers' Compensation coverage shall include a broad form all-states endorsement and waiver of subrogation.

iv. Employers' Liability Coverage. Employers' Liability Coverage of not less than One Million Dollars (\$1,000,000) per occurrence for all employees engaged in Work or operations under this Agreement.

v. Professional Liability. Professional liability/errors and omissions is required in an amount not less than One Million Dollars (\$1,000,000) per occurrence made and One Million Dollars (\$1,000,000) aggregate.

vi. Sexual Misconduct Liability. Sexual misconduct liability insurance in an amount equal to One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) aggregate.

vii. Property Hazard Insurance. Property hazard insurance consistent with the DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B", and in an amount equal to the replacement value of the Property. DDS shall be named as loss payee.

viii. Title Insurance. NPO shall procure lender's title insurance for the Property for DDS and owner's title insurance for the Property in accordance with the requirements set forth in Exhibit "B."

c. Duration of Insurance. NPO shall maintain all coverage and insurance for the entire term and for any extended period agreed upon within this Agreement.

d. Maintain Records re Insurance Coverage. NPO shall maintain records regarding all coverage and insurance for the term of this Agreement and for any extended period agreed upon within this Agreement.

e. Withhold Payment for Lack of Required Coverage. RCOC reserves the right to withhold payment of CRDP Funds in the event of material noncompliance with the applicable insurance requirements outlined in this Section 7.

f. Remedies for Failure to Provide or Maintain Required Insurance or Endorsements. In addition to any other remedies RCOC may have if NPO (or any subcontractor) fails to provide or maintain any insurance required by this Section 7 to the extent and within the time required by this Agreement, RCOC may, at its sole option:

i. Obtain the insurance and deduct and retain the amount of the premiums for the insurance from any monies due under this Agreement.

ii. Order NPO (and any subcontractor) to cease performance of the Work and/or withhold funding until NPO (or subcontractor) demonstrates compliance with the insurance requirements of this Agreement.

iii. Immediately and without further cause terminate this Agreement.

Exercise of any of the above remedies are in addition to any other remedies RCOC may have and are not the exclusive remedies for NPO's (or subcontractor's) failure to maintain or secure appropriate policies or endorsements. Nothing in this Agreement shall be construed as limiting in any way the extent to which NPO (or any subcontractor) may be held responsible for payments of damages to persons or property resulting from NPO's (or any subcontractor's) performance under this Agreement.

g. Modification of Insurance Requirements. RCOC may modify the insurance requirements set forth above if at any time during the term of this Agreement RCOC determines, in its sole discretion, that additional coverage is necessary to protect RCOC's and DDS's interests.

8. **REPRESENTATIONS AND WARRANTIES OF NPO.** CONTRACTOR makes the following representations and warranties to RCOC. These representations and warranties are ongoing and NPO shall advise Project Manager in writing if there is any change pertaining to any matters set forth or referenced in the following subparagraphs.

a. No Conflict. To the best of NPO's knowledge, NPO's negotiation, consideration and action on this Agreement and NPO's execution, delivery and performance of its obligations

under this Agreement will not constitute a default or a breach under any contract, agreement or order to which NPO is a party or by which it is bound.

i. NPO agrees that no officer, employee, agent or assignee of RCOC having direct or indirect control of any monies allocated by RCOC, inclusive of the subject funds, shall serve as an officer or director of NPO.

ii. Further, NPO shall complete the Conflict of Interest Statement for CPP Funding, attached hereto as Appendix "J" to Exhibit "B", and submit said Statement to RCOC within five (5) days of the Date of Agreement.

b. No Bankruptcy. NPO is not the subject of any current or threatened bankruptcy.

c. No Pending Legal Proceedings. NPO is not the subject of a current or threatened litigation that would or may materially affect NPO's performance under this Agreement.

d. Licenses and Standards; Compliance with Laws. NPO warrants that it has all necessary licenses and permits required by the laws of the United States, State of California, County of Orange, and any local jurisdiction in which it may do business and/or provide services, and agrees to maintain these licenses and permits in effect for the duration of this Agreement. Further, NPO shall only contract with subcontractors that are duly licensed, insured, and qualified to provide Work under this Agreement, as applicable. Further, NPO warrants that its employees, agents, contractors, and subcontractors shall conduct themselves in compliance with the laws and licensure requirements including, without limitation, compliance with laws applicable to nondiscrimination, sexual harassment, and ethical behavior.

i. Failure to Obtain or Maintain Licenses. NPO shall notify Project Manager immediately and in writing of its inability to obtain or maintain, irrespective of the pendency of any appeal, any required permits, licenses, approvals, certificates, waivers and exemptions. The inability shall be cause for termination of this Agreement by RCOC or Project Manager.

e. NPO Certification. NPO certifies that no person or entity has been employed or retained by it to solicit or secure this Agreement for a commission, percentage, brokerage fee, or contingent fee.

9. **MAXIMUM PAYMENT OBLIGATION.** The "Maximum Payment Obligation" of RCOC to NPO under this Agreement shall be Three Hundred Fifty Thousand Dollars (\$350,000) ("CRDP Funds").

a. The Maximum Payment Obligation shall apply to all Work. It is anticipated that the costs associated with completion of the Work will exceed \$350,000, and NPO shall be solely responsible for the payment of said additional costs. If it is determined that the costs associated with the Work is less than \$350,000, the Maximum Payment Obligation shall be deemed to be that lower amount. In the event that the Maximum Payment Obligation is less than \$350,000, RCOC shall retain the remaining CRDP Funds to be returned to DDS.

i. Renovation Funding. RCOC and NPO anticipate some renovation to the Property may be necessary in order for the Property to be used for an EBSH. Renovation

funding, if any, provided by RCOC for renovation costs will be negotiated as part of a separate agreement and is not provided for under this Agreement nor guaranteed. In the event that RCOC and NPO are unable to reach an agreement regarding funding for renovation costs, NPO shall be solely responsible for any and all costs associated with any and all renovations necessary in order for the Property to be used for an EBSH.

ii. Financing. Subject to DDS approval, NPO shall be permitted to obtain funding for additional costs associated with acquisition of the Property above the Maximum Payment Obligation through a lender ("Senior Lender").

1. Under no circumstances shall CRDP Funds and the Senior Lender loan be utilized for the same cost or expense.

2. NPO shall obtain and provide to RCOC an executed Agreement to Provide Notice and Cure Rights from the Senior Lender in the form attached hereto as Appendix "G" to Exhibit "B" no later than the close of escrow.

3. Any Senior Lender loan on the Property shall not exceed a 15 year term, and shall not include adjustable rate or balloon payment loan options.

4. NPO shall provide a minimum down payment amount of 20% of the purchase price of the Property.

b. CRDP Funds shall be used only for eligible acquisition costs, as set forth in Exhibit "B."

c. CRDP Funds will be distributed as follows:

i. It is agreed that NPO will open an escrow account ("Escrow Account") for purchase of the Property with a mutually agreed upon escrow company ("Escrow Agent"). In addition to any escrow instructions agreed upon between NPO and the seller of the Property, escrow shall be governed by the DDS approved Escrow Instructions attached hereto as Appendix "L" to Exhibit "B" ("Escrow Instructions"). In the event of any inconsistencies between escrow instructions agreed upon between NPO and the seller of the Property and the Escrow Instructions, the Escrow Instructions shall control. Under no circumstances shall the Escrow Agent be permitted to close escrow on the Property until all of the requirements set forth in the Escrow Instructions have been satisfied.

ii. RCOC shall deposit the CRDP Funds into the Escrow Account in accordance with the Escrow Instructions, and not later than the last business day before the scheduled date for close of escrow, subject to the conditions set forth in this Agreement.

c. Funding Contingent Upon Appropriation. Notwithstanding anything in this Agreement to the contrary, RCOC's obligation to remit funds to NPO under this Agreement or to any Service Provider is conditioned on RCOC receipt of adequate funds from DDS to pay for such costs (the "Funding Contingency"). RCOC shall have the right and option to terminate this Agreement on 30 days' notice to NPO without liability, and such termination shall be deemed a failure of the Funding Contingency if (1) RCOC does not receive the funds necessary to retain

NPO's services hereunder or a Service Provider's services at the Property; or (2) RCOC receives funds for NPO under this Agreement or a Service Provider's services but RCOC determines that such funds are inadequate to pay for all of the vendor services and other expenses which RCOC expects to incur in such fiscal year relating to the Property. If there is a failure of the Funding Contingency, then (1) RCOC shall have no liability to pay funds to NPO under this Agreement or any Service Provider (other than funds for services previously validly performed by NPO and for which RCOC has received funding) or to furnish any other consideration under this Agreement; and (2) neither party shall be obligated to further perform any provisions of this Agreement (other than those obligations intended to survive termination of this Agreement). In the event RCOC exercises the Funding Contingency, RCOC agrees to use best efforts to negotiate a workout for the Property.

10. **CRDP FUND RECOUPMENT.** As a condition of receiving funding under this Agreement, NPO is required to acquire and lease the Property to a third-party service provider to be used in perpetuity as an EBSH for regional center persons served, as set forth in Exhibit "A." In addition, NPO is required to complete any and all requirements, improvements, work or activities to ensure that the Property meets all statutory and regulatory requirements to be utilized as an EBSH. If for any reason NPO ceases to lease the Property during the 99 year term as required under the terms of this Agreement, or the Property is not eligible for use as an EBSH, the funds provided under this Agreement shall immediately become due and payable as provided below. A temporary cessation of use of the Property by regional center persons served due to casualty or temporary condemnation not caused by the NPO shall not require the NPO to repay CRDP Funds.

a. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time up to twenty (20) years after the Property is acquired, then NPO shall immediately repay RCOC 100% of all CRDP Funds paid by RCOC pursuant to this Agreement.

b. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than twenty (20) years but less than forty (40) years after the Property is acquired, then NPO shall immediately repay RCOC 80% of all CRDP Funds paid by RCOC pursuant to this Agreement.

c. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than forty (40) years but less than sixty (60) years after the Property is acquired, then NPO shall immediately repay RCOC 60% of all CRDP Funds paid by RCOC pursuant to this Agreement.

d. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than sixty (60) years but

less than eighty (80) years after the Property is acquired, then NPO shall immediately repay RCOC 40% of all CRDP Funds paid by RCOC pursuant to this Agreement.

e. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than eighty (80) years but less than ninety-nine (99) years after the Property is acquired, then NPO shall immediately repay RCOC 20% of all CRDP Funds paid by RCOC pursuant to this Agreement.

11. **SECURITY.** As security for the completion of the Work set forth in Exhibit "A" in accordance with the provisions of this Agreement, the following documents shall be recorded on the Property as set forth in the Escrow Instructions:

- a. DDS Restrictive Covenant, attached hereto as Appendix "A" to Exhibit "B";
- b. DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B";
- c. DDS Promissory Note, attached hereto as Appendix "C" to Exhibit "B";
- d. DDS Request for Notice of Default and/or Sale, attached hereto as Appendix "E" to Exhibit "B"; and
- e. Regional Center's Request for Notice of Default and/or Sale, attached hereto as Appendix "F" to Exhibit "B."

Changes to the documents set forth in subsections (a) through (e) above and any future encumbrances against the Property are prohibited without the prior written consent of DDS. The documents in subsections (a) through (e) above may be recorded subordinate only to a DDS approved Senior Lender Deed of Trust.

12. **LEASE RATE.**

a. The lease rate ("Lease Rate") for the Property will be negotiated between NPO and the third-party service provider selected by RCOC, and shall be subject to RCOC approval.

b. Upon payment in full of the Senior Lender loan or upon the reduction or elimination of other operating costs, RCOC may require reasonable adjustments to the Lease Rate as RCOC, in its sole discretion, determines appropriate.

c. The lease agreement negotiated between NPO and the third-party service provider selected by RCOC shall comply with all requirements set forth in Exhibit "B."

13. **PROPERTY TAX EXEMPTION.** In the event that the third-party service provider selected by RCOC is a 501(c)(3) non-profit organization, NPO shall file a property tax exemption application as early as possible after the NPO purchases the Property and has signed a lease with the third-party service provider, but no later than the first day the first regional center resident occupies the Property.

14. **REPLACEMENT RESERVE ACCOUNT.** NPO shall maintain a replacement reserve account for the Property and provide an annual accounting in accordance with the requirements set forth in Section IV.O.iv. of Exhibit "B."

15. **RIGHT OF ACCESS.** Without limiting any rights of access which RCOC and/or DDS may have irrespective of this Agreement, representatives of RCOC and/or DDS shall have a reasonable right of access to the Property for purposes of inspecting and evaluating the Property and any construction or other work being performed thereon. NPO shall cooperate with providing RCOC access and information as required for RCOC to complete all monitoring and reporting requirements, including the Community Placement Plan Housing Annual Report, attached hereto as Appendix "M" to Exhibit "B."

16. **LIENS AND STOP NOTICES.** If a claim of a lien or stop notice is given or recorded affecting the Property, NPO shall within thirty (30) days of such recording or service:

- a. Pay or discharge the same; or
- b. Affect the release thereof by recording and delivering to RCOC a surety bond in sufficient form and amount, or otherwise; or
- c. Provide RCOC with other assurance that RCOC deems, in RCOC's sole discretion, to be satisfactory for the payment of such lien or bonded stop notice and for the full and continuous protection of RCOC and DDS from the effect of such lien or bonded stop notice.

17. **RECORDS.**

a. Maintain Complete Books and Records. In addition to any statutory and regulatory requirements regarding recordkeeping, NPO shall keep books and records as shall be necessary relating to the Work so as to enable RCOC to evaluate performance under this Agreement. Books and records pertaining to costs shall be kept and prepared in accordance with Generally Accepted Accounting Principles (GAAP). Project Manager, RCOC and their staff, legal counsel, and other RCOC consultants (as approved by Project Manager) shall have full and free access to all books and records of NPO (and any subcontractor), pertinent to this Agreement, at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from the records.

i. NPO shall prepare and maintain accurate and complete financial records of its business operations, and in particular records related to the Work, in accordance with all statutory and regulatory requirements.

b. Inspection and Access to Records. Without limiting any rights to access which RCOC may have irrespective of this Agreement, Project Manager and any authorized RCOC representatives shall have access to NPO's records for the purpose of monitoring performance and provision of the Work pursuant to this Agreement. NPO shall make available its records within the borders of Orange County within ten (10) days after receipt of written demand by Project Manager or his/her designee. In the event NPO does not make available its records

within the borders of Orange County, NPO agrees to pay all necessary and reasonable direct and indirect expenses incurred by RCOC or RCOC's designee necessary to obtain NPO's records.

c. Reports. Upon request by the Project Manager, NPO shall submit a written progress report addressing the objectives and timelines identified in the Scope of Work and shall describe the Work performed, progress toward the objective of the Agreement, difficulties encountered during the reporting period, and any remedial/corrective action taken.

## 18. **NOTICES.**

a. Method and Form of Notice. Unless otherwise specified, all formal notices, claims, correspondence, or reports shall be addressed as follows:

**RCOC:** Regional Center of Orange County  
1525 N. Tustin Avenue  
Santa Ana, CA 92705  
Attn: Jack Stanton

**NPO:** Brilliant Corners  
1360 Mission St., Suite 300  
San Francisco CA 94103  
Attn: William Pickle, CEO

All notices shall be deemed effective when in writing and personally delivered or deposited in the United States mail, express, priority or first class, postage prepaid and addressed as above. Any notices addressed in any other fashion shall be deemed not given. Project Manager and NPO may mutually agree in writing to change the addresses to which notices are sent.

b. Advisory Notices Required. NPO shall immediately notify RCOC, in writing, whenever NPO has knowledge that there is or may be a delay in the timely performance of this Agreement. NPO shall include all relevant information with respect to the actual or potential delay.

## 19. **TERM AND TERMINATION.**

a. Term of Agreement. The term of this Agreement shall commence on Date of the Agreement provided above and shall terminate one (1) year therefrom, unless earlier terminated pursuant to the provisions of this Section 19 of this Agreement.

b. Grounds for Immediate Termination. RCOC may immediately terminate this Agreement in any of the following circumstances:

i. In the event RCOC has reasonable grounds to believe that NPO has offered or given any gratuity to any officer or employee of RCOC that would tend to influence that person's decision regarding any aspect of this Agreement.

ii. In the event an enforcement action, such as a vendorization termination, is taken against NPO which frustrates the purposes of this Agreement. In the event of such termination, NPO shall repay to RCOC all funds provided pursuant to this Agreement.

c. Termination for Cause Due to Default of NPO. RCOC reserves the express right to terminate this Agreement for cause due to the default (as defined in Section 20) of NPO in its performance of obligations under this Agreement, provided that RCOC shall first provide NPO with written notice of any such default and, if such default is susceptible to cure, provide NPO with thirty (30) calendar days in which to cure such default to RCOC's satisfaction (in which event such notice of termination shall be deemed rescinded, and this Agreement shall remain in full force and effect in accordance with its terms). If NPO fails to cure the default within the thirty (30) day period, RCOC shall be entitled to terminate the Agreement for cause by providing NPO written notice thereof. In the event this Agreement is terminated pursuant to this subsection, NPO shall immediately repay RCOC all funds provided pursuant to this Agreement.

20. **DEFAULT.** Failure by NPO to perform and/or comply with any provision, covenant, or condition of this Agreement shall be a default of this Agreement. In the event of default RCOC may avail itself of any remedies available at law, in equity, or otherwise specified in this Agreement (including immediate termination for cause as set forth in Section 19(c) above).

21. **COUNTERPARTS.** This agreement may be executed in several counterparts, all of which shall constitute but one and the same instrument. Faxed and/or electronically scanned signatures shall have the same force and effect as an original signature.

22. **GENERAL TERMS AND CONDITIONS.**

a. Compliance with Laws. NPO shall provide all Work in accordance with all applicable federal and state laws, statutes and regulations and local ordinances and resolutions. NPO shall comply with all laws, rules or regulations applicable to the Scope of Work and provision of Work, as any may now exist or as changed or added after the Date of Agreement.

b. Familiarity with Work. By executing this Agreement and prior to performing or providing any Work under this Agreement, NPO warrants and shall be satisfied that (a) it has thoroughly investigated and considered the Work, (b) it has carefully considered how the Work should be performed, will be implemented, and will be completed, and (c) it fully understands the facilities, difficulties, and restrictions, attending carrying out the performance obligations of this Agreement.

c. Care of Work. NPO shall adopt reasonable methods during the term of this Agreement to furnish continuous protection to the Property, facilities, equipment, and persons providing the Work, and to the work product, records, and other papers to prevent losses or damages. NPO shall be responsible for all losses or damages, to persons or property (including real property, personal property, both tangible and intangible), except the losses or damages as may be caused by RCOC's sole negligence. The performance of Work by NPO shall not relieve NPO from any obligation to correct any incomplete, inaccurate, or defective work or service at

no further cost to RCOC, when the inaccuracies are due to the negligence, action, or inaction of NPO.

d. Severability. If a court of competent jurisdiction declares any provision of this Agreement or its application to any person or circumstances to be invalid or if any provision of this Agreement contravenes any federal, state, or county statute, ordinance, or regulation, the remaining provisions of this Agreement or its application shall remain valid, and the remaining provisions of this Agreement shall remain in full force and effect, and to that extent the provisions of this Agreement are severable.

e. California Law. This Agreement shall be construed and interpreted both as to validity and to performance in accordance with the laws of the State of California. Legal actions concerning any default, dispute, interpretation, declaration of rights, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in the county, and NPO covenants and agrees to submit to the personal jurisdiction of the court in the event of any action.

f. Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair any right or remedy or be construed as a waiver. One party's consent or approval of any act by the other party requiring the other party's consent or approval shall not be deemed to waive or render unnecessary the party's consent to or approval of any subsequent act of the party. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

g. Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of the rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

h. Covenant Against Discrimination. In the performance of this Agreement, NPO shall not engage in, nor permit any employee or agent to engage in discrimination in employment of persons or provision of Services or assistance, nor exclude any person from participation in, nor deny any person the benefits of, nor or subject any person to discrimination under any program or activity funded in whole or in part with RCOC funds on the grounds of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, gender or sexual orientation, except as permitted by applicable provisions of Federal and State law. NPO shall comply with Title II of the Americans with Disabilities Act, (42 U.S.C. §12101, *et. seq.*) as it relates to public accommodations.

i. Legal Action. In addition to any other rights or remedies, either party may take legal action, at law or at equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

j. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the non-prevailing party.

k. Waiver of Jury Trial. Both RCOC and NPO agree and acknowledge that each is aware of and has had the opportunity to seek advice of counsel of its choice with respect to its rights to trial by jury, and each party, for itself and its successors, creditors, and assigns, expressly and knowingly waives and releases all rights to trial by jury in any action, proceeding or counterclaim brought by any party against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on or with regard to any matters of any kind or type arising out of or in any way connected with this Agreement and/or any other claim of injury or damage.

l. Time of Essence. Time is of the essence in the performance of this Agreement.

m. Confidentiality of Records. The NPO shall maintain confidentiality of records in accordance with the law, including, but not limited to, the provisions of Welfare and Institutions Code §§4514, 5328, and 14100.2. The NPO and all employees shall respect the confidentiality of all client information they receive.

n. Survival. The rights and obligations set forth in this Agreement shall extend beyond the term or termination of this Agreement only to the extent expressly provided for herein, or to the extent that the survival of such rights or obligations are necessary to permit their complete fulfillment or discharge.

IN WITNESS WHEREOF, RCOC and NPO have executed this Agreement in the County of Orange, State of California.

**REGIONAL CENTER OF ORANGE COUNTY**

\_\_\_\_\_  
Larry Landauer, M.S.W., Executive Director

**BRILLIANT CORNERS**

\_\_\_\_\_  
Name/Title: \_\_\_\_\_

**EXHIBIT "A"**  
**SCOPE OF WORK**

Brilliant Corners ("NPO") shall identify and acquire through purchase one (1) single family residence ("Property") to be leased to a third-party service provider selected by RCOC ("Service Provider") and used in perpetuity as an EBSH. EBSH shall mean an Enhanced Behavioral Supports Home meeting the requirements of Article 3.6 of Chapter 6 of Division 4.6 of the California Welfare and Institutions Code (§§4684.80 - 4684.86).

The Property shall be located in a residential neighborhood that is deemed to be safe, within close proximity to necessary services and supports, transportation, employment, and recreational activities. NPO shall renovate the home as necessary to meet all statutory or regulatory requirements for the Property to be utilized as an EBSH, as well as to meet the unique needs of the regional center persons served that will reside there. Selection of the Property shall be subject to the approval of RCOC. Upon RCOC approval of the Property, NPO shall complete the steps to purchase the Property as set forth below. Acquisition of the Property shall be completed no later than one hundred twenty (120) days from the Date of Agreement, unless an extension is approved by RCOC in writing, in RCOC's sole discretion.

NPO will research available properties within the target area, using all means available. The Property selected shall be at a minimum four to five bedrooms and/or adequate square footage to renovate the home to accommodate identified residents. In addition, adequate storage space including an enclosed garage area, backyard, and/or frontage area to allow for off-street parking for staff and visitors will be a priority.

NPO shall provide a minimum down payment amount of 20% of the Property purchase price. In addition, NPO shall provide a detailed sources and uses of funds schedule to RCOC. This schedule shall detail the funds necessary for the acquisition of the Property, and shall include but not be limited to, down payment costs, due diligence costs, closing costs, property inspections and replacement reserve analysis, developer fees, legal, accounting, consultant, and project managers fees, lenders title insurance, and/or home warranty contracts. NPO shall also obtain an appraisal of the value of the Property. An appraisal report completed for the Senior Lender shall be sufficient to meet this requirement. Under no circumstances shall the purchase price for the Property exceed the appraised value of the Property.

Following acquisition of the Property, NPO shall lease the Property to a third-party service provider selected by RCOC for the purpose of delivery of services. NPO shall ensure the Property is ready for occupancy, including any and all necessary renovations, no later than six (6) months from the date of close of escrow.

**EXHIBIT “B”**  
**FISCAL YEAR 2017-18 COMMUNITY PLACEMENT PLAN**  
**HOUSING GUIDELINES**  
**INCLUDING OCTOBER 5, 2020 AMENDMENTS**

**AGREEMENT**  
**BY AND BETWEEN**  
**REGIONAL CENTER OF ORANGE COUNTY**  
**AND**  
**BRILLIANT CORNERS**  
**FOR ACQUISITION OF HOUSING**  
**RCOC CRDP PROJECT NO. 2021-4**

This **AGREEMENT** (“Agreement”) is entered into and effective this \_\_\_\_\_ day of June, 2021 (“Date of Agreement”), by and between the **REGIONAL CENTER OF ORANGE COUNTY**, a California non-profit corporation located at 1525 N. Tustin Avenue, Santa Ana, California, hereinafter referred to as "RCOC," and **BRILLIANT CORNERS**, a California non-profit corporation located at 1390 Market Street Suite 405, San Francisco, California, hereinafter referred to as "NPO". This Agreement shall be administered by the Associate Director of Housing for RCOC or his/her designee (hereinafter referred to as the “Project Manager”).

**RECITALS**

A. WHEREAS, the Department of Developmental Services (DDS) has allocated Community Resource Development Plan Start-Up funds (CRDP funds) to RCOC for the purpose of developing permanent housing in the community that will be used exclusively, in perpetuity, by regional center persons served; and

B. WHEREAS, DDS Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan for Fiscal Year 2017-18, as amended, are applicable to the use of CRDP funds and allow regional centers to contract with non-profit organizations to acquire property and/or modify existing housing to meet individuals’ unique needs; and

C. WHEREAS, NPO desires to acquire property to be used for the development of an Enhanced Behavioral Supports Home (EBSH) to serve regional center persons served; and

D. WHEREAS, DDS has approved the expenditure of up to Three Hundred Fifty Thousand Dollars (\$350,000) for RCOC to contract with the NPO to acquire property to be leased to a third-party service provider to operate an EBSH;

NOW, THEREFORE, based on the Recitals, and in consideration of the covenants, conditions and representations contained in this Agreement, RCOC and NPO agree as follows:

1. **SCOPE OF WORK.** NPO shall identify and acquire through purchase one (1) single family residence ("Property") to be leased to a third-party service provider and used in perpetuity as an EBSH, as set forth in the Scope of Work attached hereto as Exhibit "A" and incorporated herein by reference. For purposes of this Agreement "in perpetuity" shall mean a 99 year term.

2. **HOUSING GUIDELINES.** The provisions of the "Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan," as amended, and including Appendices "A" through "O," issued by DDS for Fiscal Year 2017-2018 and attached hereto as Exhibit "B" and incorporated herein by reference, ("Housing Guidelines") shall apply to this Agreement. In the event of any inconsistencies between the Housing Guidelines and this Agreement, the Housing Guidelines shall control.

3. **ALTERATION OF TERMS.** This Agreement, together with the Scope of Work, Exhibit "A", and the Housing Guidelines, Exhibit "B", that are attached to this Agreement and fully incorporated by this reference (together, "Exhibits"), express all understanding of the parties with respect to the subject matter of this Agreement, and shall constitute the total Agreement between the parties, except as otherwise expressly provided in this Section 3. No amendment, addition to, or alteration of, the terms of this Agreement, whether written or oral, shall be valid unless the amendment is made in writing and formally approved and executed by both parties, except as provided in this Section 3 in this Agreement.

a. **Project Manager Modification Authority.** Notwithstanding anything to the contrary and provided any modifications do not alter the overall goals and basic purpose of the Agreement, and provided these modifications do not increase RCOC's Maximum Payment Obligation during the term of the Agreement, Project Manager has the authority to, with the agreement of NPO, make modification(s) to the activities, tasks, deliverables, and/or performance timeframes specified in the Scope of Work in Exhibit "A" as described in this Agreement.

4. **STATUS OF NPO.** NPO will act as an independent contractor and is not an employee, officer, agent, partner, or joint venture of RCOC by virtue of this Agreement. NPO agrees that its workers performing services under this Agreement shall be either (1) employees of NPO, or (2) shall meet all of the following three requirements to qualify as independent contractors: (a) be free from control and direction of NPO; (b) perform work that is outside the usual course of NPO's business; and (c) be customarily engaged in an independently established trade, occupation, or business of the same nature as the work the individual performs for NPO. NPO will defend, indemnify, and hold RCOC harmless from any claims, demand, liabilities, costs, and expenses arising from NPO's misclassification of workers providing services as independent contractors under this Agreement.

5. **DELEGATION AND ASSIGNMENT.** NPO shall not delegate or assign or otherwise transfer its duties, nor assign its rights under this Agreement, either in whole or in part, without the prior written consent of Project Manager. The request must be in writing with a full explanation for the request. Any consent granted by Project Manager may be conditioned upon and subject to certain actions by NPO as determined by Project Manager. Any attempted assignment or delegation in derogation of this Section 5 shall be deemed void.

6. **GENERAL INDEMNIFICATION.**

a. **NPO Indemnification of RCOC.** NPO agrees that, except for the sole negligence of RCOC, NPO shall indemnify, defend, hold harmless RCOC, and its officers, agents, and

employees from and against any and all liability, claims, losses and demands, damages to property or injuries to or death of any person or persons, including property of directors, officers, employees, or agents of RCOC, including defense costs (together, "Claims"), whether resulting from court action or otherwise, resulting from, related in any manner to, or arising out of the performance of this Agreement by NPO, its officers, employees, agents, and/or its subcontractors. NPO, at its own expense and risk, shall defend any action, legal proceeding, arbitration, or mediation proceeding that may be brought against the RCOC, its directors, officers, agents and employees on any such claim or demand, and shall pay and satisfy any settlement, or any judgment which may be rendered against RCOC and/or against any of RCOC's directors, officers, agents or employees for any injuries or damages arising therefrom. NPO'S obligation to indemnify, defend, and hold harmless RCOC shall survive the term of this Agreement.

i. Without limiting NPO's indemnification, it is agreed that NPO shall maintain in force at all times during the term of this Agreement, the policy or policies of insurance covering its operations and performance under this Agreement in the form and amounts set forth in Section 7, which insurance obligations shall apply independently of all indemnification provided under this Agreement.

ii. No officer or director, no committee member, no employee, and no agent of RCOC shall be personally liable to NPO, or any successor in interest, (or to any subcontractor) in the event of any default or breach by RCOC or for any amount that may become due to NPO or to its successor (or subcontractor) or for breach of any obligation or the terms of this Agreement.

b. Cooperation with Claims. Each party to this Agreement shall cooperate with another party to this Agreement in the defense of any action brought for conduct resulting under this Agreement and shall make available to said party any and all records in their respective possessions or control reasonably required by a party for use in contesting or defending liability.

7. **INSURANCE.** Without limiting NPO's liability for indemnification of RCOC as set forth in Section 6 above, NPO shall obtain and maintain in effect, during the term of this Agreement, the following insurance coverage and provisions:

a. Evidence of Coverage. Prior to commencement of any Work under this Agreement, NPO shall provide on an insurance industry approved form a Certificate of Insurance certifying that coverage as required in this Paragraph 7 has been obtained and remains in force for the period required by this Agreement. In addition, NPO shall produce a certified copy of the policy or policies to RCOC upon request. Each policy shall meet the following requirements:

i. Additional Insured Endorsement. Except for Worker's Compensation, each policy shall include an endorsement evidencing that the policy also applies to RCOC and DDS, their officers, directors, agents, employees and volunteers, as additional insureds against loss or liability caused by or connected with NPO's performance or non-performance under this Agreement.

(1) Primary Insurance Endorsement. Each policy shall include an endorsement evidencing that the policy afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by DDS or RCOC, their officers, directors, agents, and employees shall be excess only and not contributing with insurance provided under this policy.

ii. Notice of Cancellation or Change of Coverage Endorsement. Each policy shall include an endorsement evidencing that the policy shall not be canceled or changed so as to no longer meet the specified RCOC insurance requirements without thirty (30) days prior written notice of the cancellation or change being delivered to Project Manager at the address shown on the Certificate of Insurance.

iii. Separation Clause Endorsement. Each policy shall include an endorsement evidencing that the policy provides coverage separately to each insured who is seeking coverage or against whom a Claim is made or a suit is brought, except with respect to the company's limit of liability.

iv. Termination of Insurance. If insurance is terminated for any reason, NPO agrees to purchase an extended reporting provision of at least two (2) years to report Claims arising from work performed, or any action or any inaction in connection with this Agreement.

v. Qualifying Insurers. All coverages shall be issued by insurance companies that must be:

(1) Rated A-:VII or better according to the current Best's Key Rating Guide/Property-Casualty/United States; or

(2) A company of equal financial stability that is approved by Project Manager or his/her designee; and

(3) Admitted in the State of California.

vi. Deductible Amounts in Standard Policy. Any policy deductible or self-insured retention on any insurance policy (except auto) which exceeds \$10,000 requires prior written approval of Project Manager or his/her designee. Any policy deductible or self-insured retention on automobile liability over \$5,000 requires prior written approval of Project Manager or his/her designee. No approved deductible shall in any way limit liabilities assumed by NPO under this Agreement.

vii. Subcontractor Insurance Requirements. Should any of the Services under this Agreement be provided by a subcontractor, NPO shall require each subcontractor (of any tier) to provide the coverages specified in this Section 7, or NPO may insure any subcontractor under its own policies.

viii. Occurrence vs. Claims Based Insurance. All policies are required to be written on an occurrence basis.

b. Types of Insurance Policies/Coverage Required. NPO shall provide insurance through a policy or policies with the following types and coverage, subject to the requirements above.

i. Comprehensive General Liability Insurance. Comprehensive General Liability Insurance for bodily injury (including death) and property damage which is consistent with the DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B", and which provides not less than One Million Dollars (\$1,000,000) combined single limit (CSL) per occurrence and not less than Two Million Dollars (\$2,000,000) annual aggregate.

(1) The coverage shall include:

- (a) Premises and Operations
- (b) Contractual Liability expressly including liability assumed under this agreement, excepting the requirement does not apply for service contracts.
- (c) Personal Injury Liability.
- (d) Property damage.

ii. Comprehensive Automobile Liability Insurance. Comprehensive Automobile Liability Insurance for bodily injury (including death) and property damage which provides total limits of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles/watercraft, One Million Dollars (\$1,000,000) annual aggregate.

iii. Workers' Compensation Insurance. Workers' Compensation Insurance shall be maintained. Statutory California Workers' Compensation coverage shall include a broad form all-states endorsement and waiver of subrogation.

iv. Employers' Liability Coverage. Employers' Liability Coverage of not less than One Million Dollars (\$1,000,000) per occurrence for all employees engaged in Work or operations under this Agreement.

v. Professional Liability. Professional liability/errors and omissions is required in an amount not less than One Million Dollars (\$1,000,000) per occurrence made and One Million Dollars (\$1,000,000) aggregate.

vi. Sexual Misconduct Liability. Sexual misconduct liability insurance in an amount equal to One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) aggregate.

vii. Property Hazard Insurance. Property hazard insurance consistent with the DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B", and in an amount equal to the replacement value of the Property. DDS shall be named as loss payee.

viii. Title Insurance. NPO shall procure lender's title insurance for the Property for DDS and owner's title insurance for the Property in accordance with the requirements set forth in Exhibit "B."

c. Duration of Insurance. NPO shall maintain all coverage and insurance for the entire term and for any extended period agreed upon within this Agreement.

d. Maintain Records re Insurance Coverage. NPO shall maintain records regarding all coverage and insurance for the term of this Agreement and for any extended period agreed upon within this Agreement.

e. Withhold Payment for Lack of Required Coverage. RCOC reserves the right to withhold payment of CRDP Funds in the event of material noncompliance with the applicable insurance requirements outlined in this Section 7.

f. Remedies for Failure to Provide or Maintain Required Insurance or Endorsements. In addition to any other remedies RCOC may have if NPO (or any subcontractor) fails to provide or maintain any insurance required by this Section 7 to the extent and within the time required by this Agreement, RCOC may, at its sole option:

i. Obtain the insurance and deduct and retain the amount of the premiums for the insurance from any monies due under this Agreement.

ii. Order NPO (and any subcontractor) to cease performance of the Work and/or withhold funding until NPO (or subcontractor) demonstrates compliance with the insurance requirements of this Agreement.

iii. Immediately and without further cause terminate this Agreement.

Exercise of any of the above remedies are in addition to any other remedies RCOC may have and are not the exclusive remedies for NPO's (or subcontractor's) failure to maintain or secure appropriate policies or endorsements. Nothing in this Agreement shall be construed as limiting in any way the extent to which NPO (or any subcontractor) may be held responsible for payments of damages to persons or property resulting from NPO's (or any subcontractor's) performance under this Agreement.

g. Modification of Insurance Requirements. RCOC may modify the insurance requirements set forth above if at any time during the term of this Agreement RCOC determines, in its sole discretion, that additional coverage is necessary to protect RCOC's and DDS's interests.

8. **REPRESENTATIONS AND WARRANTIES OF NPO.** CONTRACTOR makes the following representations and warranties to RCOC. These representations and warranties are ongoing and NPO shall advise Project Manager in writing if there is any change pertaining to any matters set forth or referenced in the following subparagraphs.

a. No Conflict. To the best of NPO's knowledge, NPO's negotiation, consideration and action on this Agreement and NPO's execution, delivery and performance of its obligations

under this Agreement will not constitute a default or a breach under any contract, agreement or order to which NPO is a party or by which it is bound.

i. NPO agrees that no officer, employee, agent or assignee of RCOC having direct or indirect control of any monies allocated by RCOC, inclusive of the subject funds, shall serve as an officer or director of NPO.

ii. Further, NPO shall complete the Conflict of Interest Statement for CPP Funding, attached hereto as Appendix "J" to Exhibit "B", and submit said Statement to RCOC within five (5) days of the Date of Agreement.

b. No Bankruptcy. NPO is not the subject of any current or threatened bankruptcy.

c. No Pending Legal Proceedings. NPO is not the subject of a current or threatened litigation that would or may materially affect NPO's performance under this Agreement.

d. Licenses and Standards; Compliance with Laws. NPO warrants that it has all necessary licenses and permits required by the laws of the United States, State of California, County of Orange, and any local jurisdiction in which it may do business and/or provide services, and agrees to maintain these licenses and permits in effect for the duration of this Agreement. Further, NPO shall only contract with subcontractors that are duly licensed, insured, and qualified to provide Work under this Agreement, as applicable. Further, NPO warrants that its employees, agents, contractors, and subcontractors shall conduct themselves in compliance with the laws and licensure requirements including, without limitation, compliance with laws applicable to nondiscrimination, sexual harassment, and ethical behavior.

i. Failure to Obtain or Maintain Licenses. NPO shall notify Project Manager immediately and in writing of its inability to obtain or maintain, irrespective of the pendency of any appeal, any required permits, licenses, approvals, certificates, waivers and exemptions. The inability shall be cause for termination of this Agreement by RCOC or Project Manager.

e. NPO Certification. NPO certifies that no person or entity has been employed or retained by it to solicit or secure this Agreement for a commission, percentage, brokerage fee, or contingent fee.

9. **MAXIMUM PAYMENT OBLIGATION.** The "Maximum Payment Obligation" of RCOC to NPO under this Agreement shall be Three Hundred Fifty Thousand Dollars (\$350,000) ("CRDP Funds").

a. The Maximum Payment Obligation shall apply to all Work. It is anticipated that the costs associated with completion of the Work will exceed \$350,000, and NPO shall be solely responsible for the payment of said additional costs. If it is determined that the costs associated with the Work is less than \$350,000, the Maximum Payment Obligation shall be deemed to be that lower amount. In the event that the Maximum Payment Obligation is less than \$350,000, RCOC shall retain the remaining CRDP Funds to be returned to DDS.

i. Renovation Funding. RCOC and NPO anticipate some renovation to the Property may be necessary in order for the Property to be used for an EBSH. Renovation

funding, if any, provided by RCOC for renovation costs will be negotiated as part of a separate agreement and is not provided for under this Agreement nor guaranteed. In the event that RCOC and NPO are unable to reach an agreement regarding funding for renovation costs, NPO shall be solely responsible for any and all costs associated with any and all renovations necessary in order for the Property to be used for an EBSH.

ii. Financing. Subject to DDS approval, NPO shall be permitted to obtain funding for additional costs associated with acquisition of the Property above the Maximum Payment Obligation through a lender ("Senior Lender").

1. Under no circumstances shall CRDP Funds and the Senior Lender loan be utilized for the same cost or expense.

2. NPO shall obtain and provide to RCOC an executed Agreement to Provide Notice and Cure Rights from the Senior Lender in the form attached hereto as Appendix "G" to Exhibit "B" no later than the close of escrow.

3. Any Senior Lender loan on the Property shall not exceed a 15 year term, and shall not include adjustable rate or balloon payment loan options.

4. NPO shall provide a minimum down payment amount of 20% of the purchase price of the Property.

b. CRDP Funds shall be used only for eligible acquisition costs, as set forth in Exhibit "B."

c. CRDP Funds will be distributed as follows:

i. It is agreed that NPO will open an escrow account ("Escrow Account") for purchase of the Property with a mutually agreed upon escrow company ("Escrow Agent"). In addition to any escrow instructions agreed upon between NPO and the seller of the Property, escrow shall be governed by the DDS approved Escrow Instructions attached hereto as Appendix "L" to Exhibit "B" ("Escrow Instructions"). In the event of any inconsistencies between escrow instructions agreed upon between NPO and the seller of the Property and the Escrow Instructions, the Escrow Instructions shall control. Under no circumstances shall the Escrow Agent be permitted to close escrow on the Property until all of the requirements set forth in the Escrow Instructions have been satisfied.

ii. RCOC shall deposit the CRDP Funds into the Escrow Account in accordance with the Escrow Instructions, and not later than the last business day before the scheduled date for close of escrow, subject to the conditions set forth in this Agreement.

c. Funding Contingent Upon Appropriation. Notwithstanding anything in this Agreement to the contrary, RCOC's obligation to remit funds to NPO under this Agreement or to any Service Provider is conditioned on RCOC receipt of adequate funds from DDS to pay for such costs (the "Funding Contingency"). RCOC shall have the right and option to terminate this Agreement on 30 days' notice to NPO without liability, and such termination shall be deemed a failure of the Funding Contingency if (1) RCOC does not receive the funds necessary to retain

NPO's services hereunder or a Service Provider's services at the Property; or (2) RCOC receives funds for NPO under this Agreement or a Service Provider's services but RCOC determines that such funds are inadequate to pay for all of the vendor services and other expenses which RCOC expects to incur in such fiscal year relating to the Property. If there is a failure of the Funding Contingency, then (1) RCOC shall have no liability to pay funds to NPO under this Agreement or any Service Provider (other than funds for services previously validly performed by NPO and for which RCOC has received funding) or to furnish any other consideration under this Agreement; and (2) neither party shall be obligated to further perform any provisions of this Agreement (other than those obligations intended to survive termination of this Agreement). In the event RCOC exercises the Funding Contingency, RCOC agrees to use best efforts to negotiate a workout for the Property.

10. **CRDP FUND RECOUPMENT.** As a condition of receiving funding under this Agreement, NPO is required to acquire and lease the Property to a third-party service provider to be used in perpetuity as an EBSH for regional center persons served, as set forth in Exhibit "A." In addition, NPO is required to complete any and all requirements, improvements, work or activities to ensure that the Property meets all statutory and regulatory requirements to be utilized as an EBSH. If for any reason NPO ceases to lease the Property during the 99 year term as required under the terms of this Agreement, or the Property is not eligible for use as an EBSH, the funds provided under this Agreement shall immediately become due and payable as provided below. A temporary cessation of use of the Property by regional center persons served due to casualty or temporary condemnation not caused by the NPO shall not require the NPO to repay CRDP Funds.

a. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time up to twenty (20) years after the Property is acquired, then NPO shall immediately repay RCOC 100% of all CRDP Funds paid by RCOC pursuant to this Agreement.

b. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than twenty (20) years but less than forty (40) years after the Property is acquired, then NPO shall immediately repay RCOC 80% of all CRDP Funds paid by RCOC pursuant to this Agreement.

c. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than forty (40) years but less than sixty (60) years after the Property is acquired, then NPO shall immediately repay RCOC 60% of all CRDP Funds paid by RCOC pursuant to this Agreement.

d. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than sixty (60) years but

less than eighty (80) years after the Property is acquired, then NPO shall immediately repay RCOC 40% of all CRDP Funds paid by RCOC pursuant to this Agreement.

e. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than eighty (80) years but less than ninety-nine (99) years after the Property is acquired, then NPO shall immediately repay RCOC 20% of all CRDP Funds paid by RCOC pursuant to this Agreement.

11. **SECURITY.** As security for the completion of the Work set forth in Exhibit "A" in accordance with the provisions of this Agreement, the following documents shall be recorded on the Property as set forth in the Escrow Instructions:

- a. DDS Restrictive Covenant, attached hereto as Appendix "A" to Exhibit "B";
- b. DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B";
- c. DDS Promissory Note, attached hereto as Appendix "C" to Exhibit "B";
- d. DDS Request for Notice of Default and/or Sale, attached hereto as Appendix "E" to Exhibit "B"; and
- e. Regional Center's Request for Notice of Default and/or Sale, attached hereto as Appendix "F" to Exhibit "B."

Changes to the documents set forth in subsections (a) through (e) above and any future encumbrances against the Property are prohibited without the prior written consent of DDS. The documents in subsections (a) through (e) above may be recorded subordinate only to a DDS approved Senior Lender Deed of Trust.

12. **LEASE RATE.**

a. The lease rate ("Lease Rate") for the Property will be negotiated between NPO and the third-party service provider selected by RCOC, and shall be subject to RCOC approval.

b. Upon payment in full of the Senior Lender loan or upon the reduction or elimination of other operating costs, RCOC may require reasonable adjustments to the Lease Rate as RCOC, in its sole discretion, determines appropriate.

c. The lease agreement negotiated between NPO and the third-party service provider selected by RCOC shall comply with all requirements set forth in Exhibit "B."

13. **PROPERTY TAX EXEMPTION.** In the event that the third-party service provider selected by RCOC is a 501(c)(3) non-profit organization, NPO shall file a property tax exemption application as early as possible after the NPO purchases the Property and has signed a lease with the third-party service provider, but no later than the first day the first regional center resident occupies the Property.

14. **REPLACEMENT RESERVE ACCOUNT.** NPO shall maintain a replacement reserve account for the Property and provide an annual accounting in accordance with the requirements set forth in Section IV.O.iv. of Exhibit "B."

15. **RIGHT OF ACCESS.** Without limiting any rights of access which RCOC and/or DDS may have irrespective of this Agreement, representatives of RCOC and/or DDS shall have a reasonable right of access to the Property for purposes of inspecting and evaluating the Property and any construction or other work being performed thereon. NPO shall cooperate with providing RCOC access and information as required for RCOC to complete all monitoring and reporting requirements, including the Community Placement Plan Housing Annual Report, attached hereto as Appendix "M" to Exhibit "B."

16. **LIENS AND STOP NOTICES.** If a claim of a lien or stop notice is given or recorded affecting the Property, NPO shall within thirty (30) days of such recording or service:

- a. Pay or discharge the same; or
- b. Affect the release thereof by recording and delivering to RCOC a surety bond in sufficient form and amount, or otherwise; or
- c. Provide RCOC with other assurance that RCOC deems, in RCOC's sole discretion, to be satisfactory for the payment of such lien or bonded stop notice and for the full and continuous protection of RCOC and DDS from the effect of such lien or bonded stop notice.

17. **RECORDS.**

a. Maintain Complete Books and Records. In addition to any statutory and regulatory requirements regarding recordkeeping, NPO shall keep books and records as shall be necessary relating to the Work so as to enable RCOC to evaluate performance under this Agreement. Books and records pertaining to costs shall be kept and prepared in accordance with Generally Accepted Accounting Principles (GAAP). Project Manager, RCOC and their staff, legal counsel, and other RCOC consultants (as approved by Project Manager) shall have full and free access to all books and records of NPO (and any subcontractor), pertinent to this Agreement, at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from the records.

i. NPO shall prepare and maintain accurate and complete financial records of its business operations, and in particular records related to the Work, in accordance with all statutory and regulatory requirements.

b. Inspection and Access to Records. Without limiting any rights to access which RCOC may have irrespective of this Agreement, Project Manager and any authorized RCOC representatives shall have access to NPO's records for the purpose of monitoring performance and provision of the Work pursuant to this Agreement. NPO shall make available its records within the borders of Orange County within ten (10) days after receipt of written demand by Project Manager or his/her designee. In the event NPO does not make available its records

within the borders of Orange County, NPO agrees to pay all necessary and reasonable direct and indirect expenses incurred by RCOC or RCOC's designee necessary to obtain NPO's records.

c. Reports. Upon request by the Project Manager, NPO shall submit a written progress report addressing the objectives and timelines identified in the Scope of Work and shall describe the Work performed, progress toward the objective of the Agreement, difficulties encountered during the reporting period, and any remedial/corrective action taken.

## 18. **NOTICES.**

a. Method and Form of Notice. Unless otherwise specified, all formal notices, claims, correspondence, or reports shall be addressed as follows:

**RCOC:** Regional Center of Orange County  
1525 N. Tustin Avenue  
Santa Ana, CA 92705  
Attn: Jack Stanton

**NPO:** Brilliant Corners  
1360 Mission St., Suite 300  
San Francisco CA 94103  
Attn: William F. Pickel, CEO

All notices shall be deemed effective when in writing and personally delivered or deposited in the United States mail, express, priority or first class, postage prepaid and addressed as above. Any notices addressed in any other fashion shall be deemed not given. Project Manager and NPO may mutually agree in writing to change the addresses to which notices are sent.

b. Advisory Notices Required. NPO shall immediately notify RCOC, in writing, whenever NPO has knowledge that there is or may be a delay in the timely performance of this Agreement. NPO shall include all relevant information with respect to the actual or potential delay.

## 19. **TERM AND TERMINATION.**

a. Term of Agreement. The term of this Agreement shall commence on Date of the Agreement provided above and shall terminate one (1) year therefrom, unless earlier terminated pursuant to the provisions of this Section 19 of this Agreement.

b. Grounds for Immediate Termination. RCOC may immediately terminate this Agreement in any of the following circumstances:

i. In the event RCOC has reasonable grounds to believe that NPO has offered or given any gratuity to any officer or employee of RCOC that would tend to influence that person's decision regarding any aspect of this Agreement.

ii. In the event an enforcement action, such as a vendorization termination, is taken against NPO which frustrates the purposes of this Agreement. In the event of such termination, NPO shall repay to RCOC all funds provided pursuant to this Agreement.

c. Termination for Cause Due to Default of NPO. RCOC reserves the express right to terminate this Agreement for cause due to the default (as defined in Section 20) of NPO in its performance of obligations under this Agreement, provided that RCOC shall first provide NPO with written notice of any such default and, if such default is susceptible to cure, provide NPO with thirty (30) calendar days in which to cure such default to RCOC's satisfaction (in which event such notice of termination shall be deemed rescinded, and this Agreement shall remain in full force and effect in accordance with its terms). If NPO fails to cure the default within the thirty (30) day period, RCOC shall be entitled to terminate the Agreement for cause by providing NPO written notice thereof. In the event this Agreement is terminated pursuant to this subsection, NPO shall immediately repay RCOC all funds provided pursuant to this Agreement.

20. **DEFAULT.** Failure by NPO to perform and/or comply with any provision, covenant, or condition of this Agreement shall be a default of this Agreement. In the event of default RCOC may avail itself of any remedies available at law, in equity, or otherwise specified in this Agreement (including immediate termination for cause as set forth in Section 19(c) above).

21. **COUNTERPARTS.** This agreement may be executed in several counterparts, all of which shall constitute but one and the same instrument. Faxed and/or electronically scanned signatures shall have the same force and effect as an original signature.

22. **GENERAL TERMS AND CONDITIONS.**

a. Compliance with Laws. NPO shall provide all Work in accordance with all applicable federal and state laws, statutes and regulations and local ordinances and resolutions. NPO shall comply with all laws, rules or regulations applicable to the Scope of Work and provision of Work, as any may now exist or as changed or added after the Date of Agreement.

b. Familiarity with Work. By executing this Agreement and prior to performing or providing any Work under this Agreement, NPO warrants and shall be satisfied that (a) it has thoroughly investigated and considered the Work, (b) it has carefully considered how the Work should be performed, will be implemented, and will be completed, and (c) it fully understands the facilities, difficulties, and restrictions, attending carrying out the performance obligations of this Agreement.

c. Care of Work. NPO shall adopt reasonable methods during the term of this Agreement to furnish continuous protection to the Property, facilities, equipment, and persons providing the Work, and to the work product, records, and other papers to prevent losses or damages. NPO shall be responsible for all losses or damages, to persons or property (including real property, personal property, both tangible and intangible), except the losses or damages as may be caused by RCOC's sole negligence. The performance of Work by NPO shall not relieve NPO from any obligation to correct any incomplete, inaccurate, or defective work or service at

no further cost to RCOC, when the inaccuracies are due to the negligence, action, or inaction of NPO.

d. Severability. If a court of competent jurisdiction declares any provision of this Agreement or its application to any person or circumstances to be invalid or if any provision of this Agreement contravenes any federal, state, or county statute, ordinance, or regulation, the remaining provisions of this Agreement or its application shall remain valid, and the remaining provisions of this Agreement shall remain in full force and effect, and to that extent the provisions of this Agreement are severable.

e. California Law. This Agreement shall be construed and interpreted both as to validity and to performance in accordance with the laws of the State of California. Legal actions concerning any default, dispute, interpretation, declaration of rights, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in the county, and NPO covenants and agrees to submit to the personal jurisdiction of the court in the event of any action.

f. Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair any right or remedy or be construed as a waiver. One party's consent or approval of any act by the other party requiring the other party's consent or approval shall not be deemed to waive or render unnecessary the party's consent to or approval of any subsequent act of the party. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

g. Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of the rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

h. Covenant Against Discrimination. In the performance of this Agreement, NPO shall not engage in, nor permit any employee or agent to engage in discrimination in employment of persons or provision of Services or assistance, nor exclude any person from participation in, nor deny any person the benefits of, nor or subject any person to discrimination under any program or activity funded in whole or in part with RCOC funds on the grounds of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, gender or sexual orientation, except as permitted by applicable provisions of Federal and State law. NPO shall comply with Title II of the Americans with Disabilities Act, (42 U.S.C. §12101, *et. seq.*) as it relates to public accommodations.

i. Legal Action. In addition to any other rights or remedies, either party may take legal action, at law or at equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

j. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the non-prevailing party.

k. Waiver of Jury Trial. Both RCOC and NPO agree and acknowledge that each is aware of and has had the opportunity to seek advice of counsel of its choice with respect to its rights to trial by jury, and each party, for itself and its successors, creditors, and assigns, expressly and knowingly waives and releases all rights to trial by jury in any action, proceeding or counterclaim brought by any party against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on or with regard to any matters of any kind or type arising out of or in any way connected with this Agreement and/or any other claim of injury or damage.

l. Time of Essence. Time is of the essence in the performance of this Agreement.

m. Confidentiality of Records. The NPO shall maintain confidentiality of records in accordance with the law, including, but not limited to, the provisions of Welfare and Institutions Code §§4514, 5328, and 14100.2. The NPO and all employees shall respect the confidentiality of all client information they receive.

n. Survival. The rights and obligations set forth in this Agreement shall extend beyond the term or termination of this Agreement only to the extent expressly provided for herein, or to the extent that the survival of such rights or obligations are necessary to permit their complete fulfillment or discharge.

IN WITNESS WHEREOF, RCOC and NPO have executed this Agreement in the County of Orange, State of California.

**REGIONAL CENTER OF ORANGE COUNTY**

\_\_\_\_\_  
Larry Landauer, M.S.W., Executive Director

**BRILLIANT CORNERS**

\_\_\_\_\_  
Name/Title: \_\_\_\_\_

**EXHIBIT "A"**  
**SCOPE OF WORK**

Brilliant Corners ("NPO") shall identify and acquire through purchase one (1) single family residence ("Property") to be leased to a third-party service provider selected by RCOC ("Service Provider") and used in perpetuity as an EBSH. EBSH shall mean an Enhanced Behavioral Supports Home meeting the requirements of Article 3.6 of Chapter 6 of Division 4.6 of the California Welfare and Institutions Code (§§4684.80 - 4684.86).

The Property shall be located in a residential neighborhood that is deemed to be safe, within close proximity to necessary services and supports, transportation, employment, and recreational activities. NPO shall renovate the home as necessary to meet all statutory or regulatory requirements for the Property to be utilized as an EBSH, as well as to meet the unique needs of the regional center persons served that will reside there. Selection of the Property shall be subject to the approval of RCOC. Upon RCOC approval of the Property, NPO shall complete the steps to purchase the Property as set forth below. Acquisition of the Property shall be completed no later than one hundred twenty (120) days from the Date of Agreement, unless an extension is approved by RCOC in writing, in RCOC's sole discretion.

NPO will research available properties within the target area, using all means available. The Property selected shall be at a minimum four to five bedrooms and/or adequate square footage to renovate the home to accommodate identified residents. In addition, adequate storage space including an enclosed garage area, backyard, and/or frontage area to allow for off-street parking for staff and visitors will be a priority.

NPO shall provide a minimum down payment amount of 20% of the Property purchase price. In addition, NPO shall provide a detailed sources and uses of funds schedule to RCOC. This schedule shall detail the funds necessary for the acquisition of the Property, and shall include but not be limited to, down payment costs, due diligence costs, closing costs, property inspections and replacement reserve analysis, developer fees, legal, accounting, consultant, and project managers fees, lenders title insurance, and/or home warranty contracts. NPO shall also obtain an appraisal of the value of the Property. An appraisal report completed for the Senior Lender shall be sufficient to meet this requirement. Under no circumstances shall the purchase price for the Property exceed the appraised value of the Property.

Following acquisition of the Property, NPO shall lease the Property to a third-party service provider selected by RCOC for the purpose of delivery of services. NPO shall ensure the Property is ready for occupancy, including any and all necessary renovations, no later than six (6) months from the date of close of escrow.

**EXHIBIT “B”**  
**FISCAL YEAR 2017-18 COMMUNITY PLACEMENT PLAN**  
**HOUSING GUIDELINES**  
**INCLUDING OCTOBER 5, 2020 AMENDMENTS**

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021

TO: Board of Directors

FROM: Larry Landauer, Executive Director

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

**SUBJECT: Approval of Property Renovation Agreements with Non-Profit Housing Corporation, Brilliant Corners, for Development of Two Enhanced Behavioral Supports Homes (CRDP Project No. 2021-3 and 2021-4)**

BACKGROUND:

The Department of Developmental Services (DDS) has made a special allocation to RCOC’s Community Resource Development Plan (CRDP) for the development of two (2) Enhanced Behavioral Supports Homes (EBSHs). These facilities will serve individuals with severe behaviors who currently reside in a restrictive setting, such as a psychiatric hospital, crisis facility, or locked facility, or who are at risk of being placed in a restrictive setting.

The “buy it once” model will be used for development of these EBSHs, which separates ownership of the homes from service delivery, so that a service provider can be changed without moving the residents. A non-profit corporation receives CRDP start-up funds to acquire and renovate a property; the non-profit corporation then leases the property to a service provider.

REASON FOR CURRENT ITEM:

DDS has allocated a total of \$800,000 in CRDP start-up funding for the renovation of two properties as follows: CRDP Project No. 2021-3 - \$450,000; CRDP Project No. 2021-4 - \$350,000. In April 2021, RCOC posted a Request for Proposals (RFP) for a non-profit housing corporation. Proposals were received from two applicants: Brilliant Corners and Key Community Housing, Inc. Based on the proposals and interviews with both applicants, the RFP Review Committee recommends approval of Property Renovation Agreements with Non-Profit Housing Corporation, Brilliant Corners, for Development of Two Enhanced Behavioral Supports Homes (CRDP Project No. 2021-3 and 2021-4).

FISCAL IMPACT:

DDS has approved \$800,000 in CRDP start-up funds for the restricted use as defined above.

RECOMMENDATION:

That the Board approve the Property Renovation Agreements as presented.

**AGREEMENT**  
**BY AND BETWEEN**  
**REGIONAL CENTER OF ORANGE COUNTY**  
**AND**  
**BRILLIANT CORNERS**  
**FOR DEVELOPMENT OF HOUSING**  
**RCOC CRDP PROJECT NO. 2021-3**

This **AGREEMENT** (“Agreement”) is entered into and effective this \_\_\_\_ day of June, 2021 (“Date of Agreement”), by and between the **REGIONAL CENTER OF ORANGE COUNTY**, a California non-profit corporation located at 1525 N. Tustin Avenue, Santa Ana, California, hereinafter referred to as "RCOC," and **BRILLIANT CORNERS**, a California non-profit corporation located at 1390 Market Street Suite 405, San Francisco, California, hereinafter referred to as "NPO". This Agreement shall be administered by the Associate Director of Housing for RCOC or his/her authorized designee (hereinafter referred to as the “Project Manager”).

**RECITALS**

A. WHEREAS, the Department of Developmental Services (“DDS”) has allocated Community Resource Development Plan Start-Up funds (“CRDP Funds”) to RCOC for the purpose of developing permanent housing in the community that will be used exclusively, in perpetuity, by persons served by a regional center (“Persons Served”); and

B. WHEREAS, DDS Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan for Fiscal Year 2017-2018, as amended, are applicable to the use of CRDP funds and allow regional centers to contract with non-profit organizations to acquire property and/or modify existing housing to meet the unique needs of Persons Served; and

C. WHEREAS, NPO desires to acquire and renovate property to be used for the development of an Enhanced Behavioral Supports Home (“EBSH”) to serve regional center Persons Served; and

D. WHEREAS, RCOC and NPO have entered into a separate property acquisition agreement (“Acquisition Agreement”) under which RCOC will provide NPO with start-up grant funding in the amount of Three Hundred Fifty Thousand Dollars (\$350,000) to acquire property to be leased to a third party service provider to operate an EBSH (“Property”); and

E. WHEREAS, DDS has approved the expenditure of additional CRDP Funds for RCOC to contract with NPO to renovate the Property;

NOW, THEREFORE, based on the Recitals, and in consideration of the covenants, conditions and representations contained in this Agreement, RCOC and NPO agree as follows:

1. **SCOPE OF WORK.** NPO shall renovate the Property to be leased to a third-party service provider vendored with RCOC ("Service Provider") and used in perpetuity as an EBSH, in accordance with the terms of this Agreement and as set forth in the Scope of Work attached hereto as Exhibit "A" and incorporated herein by reference. For purposes of this Agreement "in perpetuity" shall mean a ninety-nine (99) year term.

2. **HOUSING GUIDELINES.** The provisions of the "Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan," as amended, including Appendices "A" through "O," issued by DDS for Fiscal Year 2017-2018 and attached hereto as Exhibit "B" and incorporated herein by reference, ("CPP Guidelines") shall apply to this Agreement. In the event of any inconsistencies between the CPP Guidelines and this Agreement, the CPP Guidelines shall control.

3. **ALTERATION OF TERMS.** This Agreement, together with the Scope of Work, Exhibit "A", the CPP Guidelines, Exhibit "B", the Certificate of Acceptance, Exhibit "C", and the Addendum to Lease, Exhibit "D", that are attached to this Agreement and fully incorporated by this reference (together, "Exhibits"), express all understanding of the parties with respect to the subject matter of this Agreement, and shall constitute the total Agreement between the parties, except as otherwise expressly provided in this Section 3. No amendment, addition to, or alteration of, the terms of this Agreement, whether written or oral, shall be valid unless the amendment is made in writing and formally approved and executed by both parties, except as provided in this Section 3 in this Agreement.

a. Project Manager Modification Authority. Notwithstanding anything to the contrary and provided any modifications do not alter the overall goals and basic purpose of the Agreement, and provided these modifications do not increase RCOC's Maximum Payment Obligation during the term of the Agreement, Project Manager has the authority to, with the agreement of NPO, make modification(s) to the activities, tasks, deliverables, and/or performance timeframes specified in this Agreement.

4. **STATUS OF NPO.** NPO will act as an independent contractor and is not an employee, officer, agent, partner, or joint venture of RCOC by virtue of this Agreement. NPO agrees that its workers performing services under this Agreement shall be either (1) employees of NPO, or (2) shall meet all of the following three requirements to qualify as independent contractors: (a) be free from control and direction of NPO; (b) perform work that is outside the usual course of NPO's business; and (c) be customarily engaged in an independently established trade, occupation, or business of the same nature as the work the individual performs for NPO. NPO will defend, indemnify, and hold RCOC harmless from any claims, demand, liabilities, costs, and expenses arising from NPO's misclassification of workers providing services as independent contractors under this Agreement.

5. **DELEGATION AND ASSIGNMENT.** NPO shall not delegate or assign or otherwise transfer its duties, nor assign its rights under this Agreement, either in whole or in part, without

the prior written consent of Project Manager. The request must be in writing with a full explanation for the request. Any consent granted by Project Manager may be conditioned upon and subject to certain actions by NPO as determined by Project Manager. Any attempted assignment or delegation in derogation of this Section 5 shall be deemed void.

## 6. GENERAL INDEMNIFICATION.

a. NPO Indemnification of RCOC. NPO agrees that, except for the sole negligence of RCOC, NPO shall indemnify, defend, hold harmless RCOC, and its officers, agents, and employees from and against any and all liability, claims, losses and demands, damages to property or injuries to or death of any person or persons, including property of directors, officers, employees, or agents of RCOC, including defense costs (together, "Claims"), whether resulting from court action or otherwise, resulting from, related in any manner to, or arising out of the performance of this Agreement by NPO, its officers, employees, agents, and/or its subcontractors. NPO, at its own expense and risk, shall defend any action, legal proceeding, arbitration, or mediation proceeding that may be brought against the RCOC, its directors, officers, agents and employees on any such claim or demand, and shall pay and satisfy any settlement, or any judgment which may be rendered against RCOC and/or against any of RCOC's directors, officers, agents or employees for any injuries or damages arising therefrom. NPO'S obligation to indemnify, defend, and hold harmless RCOC shall survive the term of this Agreement.

i. Without limiting NPO's indemnification, it is agreed that NPO shall maintain in force at all times during the term of this Agreement, the policy or policies of insurance covering its operations and performance under this Agreement in the form and amounts set forth in Section 7, which insurance obligations shall apply independently of all indemnification provided under this Agreement.

ii. No officer or director, no committee member, no employee, and no agent of RCOC shall be personally liable to NPO, or any successor in interest, (or to any subcontractor) in the event of any default or breach by RCOC or for any amount that may become due to NPO or to its successor (or subcontractor) or for breach of any obligation or the terms of this Agreement.

b. Cooperation with Claims. Each party to this Agreement shall cooperate with another party to this Agreement in the defense of any action brought for conduct resulting under this Agreement and shall make available to said party any and all records in their respective possessions or control reasonably required by a party for use in contesting or defending liability.

7. **INSURANCE.** Without limiting NPO's liability for indemnification of RCOC as set forth in Section 6 above, NPO shall obtain and maintain in effect, during the term of this Agreement, the following insurance coverage and provisions:

a. Evidence of Coverage. Prior to commencement of any Work under this Agreement, NPO shall provide on an insurance industry approved form a Certificate of Insurance

certifying that coverage as required in this Paragraph 7 has been obtained and remains in force for the period required by this Agreement. In addition, NPO shall produce a certified copy of the policy or policies to RCOC upon request. Each policy shall meet the following requirements:

i. Additional Insured Endorsement. Except for Worker's Compensation and Professional Liability insurance, each policy shall include an endorsement evidencing that the policy also applies to RCOC and DDS, their officers, directors, agents, employees and volunteers, as additional insureds against loss or liability caused by or connected with NPO's performance or non-performance under this Agreement.

(1) Primary Insurance Endorsement. Each policy shall include an endorsement evidencing that the policy afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by DDS or RCOC, their officers, directors, agents, and employees shall be excess only and not contributing with insurance provided under this policy.

ii. Notice of Cancellation or Change of Coverage Endorsement. Each policy shall include an endorsement evidencing that the policy shall not be canceled or changed so as to no longer meet the specified RCOC insurance requirements without thirty (30) days prior written notice of the cancellation or change being delivered to Project Manager at the address shown on the Certificate of Insurance.

iii. Separation Clause Endorsement. Each policy shall include an endorsement evidencing that the policy provides coverage separately to each insured who is seeking coverage or against whom a Claim is made or a suit is brought, except with respect to the company's limit of liability.

iv. Termination of Insurance. If insurance is terminated for any reason, NPO agrees to purchase an extended reporting provision of at least two (2) years to report Claims arising from work performed, or any action or any inaction in connection with this Agreement.

v. Qualifying Insurers. All coverages shall be issued by insurance companies that must be:

(1) Rated A-:VII or better according to the current Best's Key Rating Guide/Property-Casualty/United States; or

(2) A company of equal financial stability that is approved by Project Manager or his/her designee; and

(3) Admitted in the State of California.

vi. Deductible Amounts in Standard Policy. Any policy deductible or self-insured retention on any insurance policy (except auto) which exceeds \$10,000 requires prior written approval of Project Manager or his/her designee. Any policy deductible or self-insured retention on automobile liability over \$5,000 requires prior written approval of Project Manager

or his/her designee. No approved deductible shall in any way limit liabilities assumed by NPO under this Agreement.

vii. Subcontractor Insurance Requirements. Should any of the Services under this Agreement be provided by a subcontractor, NPO shall require each subcontractor (of any tier) to provide the coverages specified in this Section 7, or NPO may insure any subcontractor under its own policies.

viii. Occurrence vs. Claims Based Insurance. All policies are required to be written on an occurrence basis.

b. Types of Insurance Policies/Coverage Required. NPO shall provide insurance through a policy or policies with the following types and coverage, subject to the requirements above.

i. Comprehensive General Liability Insurance. Comprehensive General Liability Insurance for bodily injury (including death) and property damage which is consistent with the DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B", and which provides not less than One Million Dollars (\$1,000,000) combined single limit (CSL) per occurrence and not less than Two Million Dollars (\$2,000,000) annual aggregate.

(1) The coverage shall include:

(a) Premises and Operations

(b) Contractual Liability expressly including liability assumed under this agreement, excepting the requirement does not apply for service contracts.

(c) Personal Injury Liability.

(d) Property damage.

ii. Comprehensive Automobile Liability Insurance. Comprehensive Automobile Liability Insurance for bodily injury (including death) and property damage which provides total limits of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles/watercraft, One Million Dollars (\$1,000,000) annual aggregate.

iii. Workers' Compensation Insurance. Workers' Compensation Insurance shall be maintained. Statutory California Workers' Compensation coverage shall include a broad form all-states endorsement and waiver of subrogation.

iv. Employers' Liability Coverage. Employers' Liability Coverage of not less than One Million Dollars (\$1,000,000) per occurrence for all employees engaged in Work or operations under this Agreement.

v. Professional Liability. Professional liability/errors and omissions is required in an amount not less than One Million Dollars (\$1,000,000) per occurrence made and One Million Dollars (\$1,000,000) aggregate.

vi. Sexual Misconduct Liability. Sexual misconduct liability insurance in an amount equal to One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) aggregate.

vii. Property Hazard Insurance. Property hazard insurance consistent with the DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B", and in an amount equal to the replacement value of the Property. DDS shall be named as loss payee.

viii. Title Insurance. NPO shall procure lender's title insurance for the Property for DDS and owner's title insurance for the Property in accordance with the requirements set forth in Exhibit "B."

c. Duration of Insurance. NPO shall maintain all coverage and insurance for the entire term and for any extended period agreed upon within this Agreement.

d. Maintain Records re Insurance Coverage. NPO shall maintain records regarding all coverage and insurance for the term of this Agreement and for any extended period agreed upon within this Agreement.

e. Withhold Payment for Lack of Required Coverage. RCOC reserves the right to withhold payment of CRDP Funds in the event of material noncompliance with the applicable insurance requirements outlined in this Section 7.

f. Remedies for Failure to Provide or Maintain Required Insurance or Endorsements. In addition to any other remedies RCOC may have if NPO (or any subcontractor) fails to provide or maintain any insurance required by this Section 7 to the extent and within the time required by this Agreement, RCOC may, at its sole option:

i. Obtain the insurance and deduct and retain the amount of the premiums for the insurance from any monies due under this Agreement.

ii. Order NPO (and any subcontractor) to cease performance of the Work and/or withhold funding until NPO (or subcontractor) demonstrates compliance with the insurance requirements of this Agreement.

iii. Immediately and without further cause terminate this Agreement.

Exercise of any of the above remedies are in addition to any other remedies RCOC may have and are not the exclusive remedies for NPO's (or subcontractor's) failure to maintain or secure appropriate policies or endorsements. Nothing in this Agreement shall be construed as limiting in any way the extent to which NPO (or any subcontractor) may be held responsible for

payments of damages to persons or property resulting from NPO's (or any subcontractor's) performance under this Agreement.

g. Modification of Insurance Requirements. RCOC may modify the insurance requirements set forth above if at any time during the term of this Agreement RCOC determines, in its sole discretion, that additional coverage is necessary to protect RCOC's and DDS's interests.

8. **REPRESENTATIONS AND WARRANTIES OF NPO.** CONTRACTOR makes the following representations and warranties to RCOC. These representations and warranties are ongoing and NPO shall advise Project Manager in writing if there is any change pertaining to any matters set forth or referenced in the following subparagraphs.

a. No Conflict. To the best of NPO's knowledge, NPO's negotiation, consideration and action on this Agreement and NPO's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which NPO is a party or by which it is bound.

i. NPO agrees that no officer, employee, agent or assignee of RCOC having direct or indirect control of any monies allocated by RCOC, inclusive of the subject funds, shall serve as an officer or director of NPO.

ii. Further, NPO shall complete the Conflict of Interest Statement for CPP Funding, attached hereto as Appendix "J" to Exhibit "B", and submit said Statement to RCOC within five (5) days of the Date of Agreement.

b. No Bankruptcy. NPO is not the subject of any current or threatened bankruptcy.

c. No Pending Legal Proceedings. NPO is not the subject of a current or threatened litigation that would or may materially affect NPO's performance under this Agreement.

d. Licenses and Standards; Compliance with Laws. NPO warrants that it has all necessary licenses and permits required by the laws of the United States, State of California, County of Orange, and any local jurisdiction in which it may do business and/or provide services, and agrees to maintain these licenses and permits in effect for the duration of this Agreement. Further, NPO shall only contract with subcontractors that are duly licensed, insured, and qualified to provide Work under this Agreement, as applicable. Further, NPO warrants that its employees, agents, contractors, and subcontractors shall conduct themselves in compliance with the laws and licensure requirements including, without limitation, compliance with laws applicable to nondiscrimination, sexual harassment, and ethical behavior.

i. Failure to Obtain or Maintain Licenses. NPO shall notify Project Manager immediately and in writing of its inability to obtain or maintain, irrespective of the pendency of any appeal, any required permits, licenses, approvals, certificates, waivers and exemptions. The inability shall be cause for termination of this Agreement by RCOC or Project Manager.

e. NPO Certification. NPO certifies that no person or entity has been employed or retained by it to solicit or secure this Agreement for a commission, percentage, brokerage fee, or contingent fee.

9. **MAXIMUM PAYMENT OBLIGATION.** The “Maximum Payment Obligation” of RCOC to NPO under this Agreement shall be Four Hundred Fifty Thousand Dollars (\$450,000) (“CRDP Funds”).

a. The Maximum Payment Obligation shall apply to all Work. It is anticipated that the costs associated with completion of the Work may exceed the Maximum Payment Obligation, and NPO shall be solely responsible for the payment of said additional costs. If it is determined that the costs associated with the Work is less than \$450,000, the Maximum Payment Obligation shall be deemed to be that lower amount. In the event that the Maximum Payment Obligation is less than \$450,000, RCOC shall retain the remaining CRDP Funds to be returned to DDS.

b. Funding Contingent Upon Appropriation. Notwithstanding anything in this Agreement to the contrary, RCOC’s obligation to remit funds to NPO under this Agreement or to any Service Provider is conditioned on RCOC’s receipt of adequate funds from DDS to pay for such costs (the “Funding Contingency”). RCOC shall have the right and option to terminate this Agreement on 30 days’ notice to NPO without liability, and such termination shall be deemed a failure of the Funding Contingency if (1) RCOC does not receive the funds necessary to retain NPO’s services hereunder or a Service Provider’s services at the Property; or (2) RCOC receives funds for NPO under this Agreement or a Service Provider’s services but RCOC determines that such funds are inadequate to pay for all of the vendor services and other expenses which RCOC expects to incur in such fiscal year relating to the Property. If there is a failure of the Funding Contingency, then (1) RCOC shall have no liability to pay funds to NPO under this Agreement or any Service Provider (other than funds for services previously validly performed by NPO and for which RCOC has received funding) or to furnish any other consideration under this Agreement; and (2) neither party shall be obligated to further perform any provisions of this Agreement (other than those obligations intended to survive termination of this Agreement). In the event RCOC exercises the Funding Contingency, RCOC agrees to use best efforts to negotiate a workout for the Property.

10. **RENOVATION WORK.**

a. Development/Improvements. NPO may not make any improvements, alterations, additions or changes (collectively, the "Improvements") to the Property without first procuring the prior written consent of RCOC, which consent shall be requested by NPO prior to the commencement of the Work, and which consent shall not be unreasonably withheld by RCOC; provided, however, it shall be deemed reasonable for RCOC to withhold its consent to any Improvements which adversely affect (i) the structural portions or the systems or equipment of the Property, (ii) the exterior appearance of the Property or (iii) the ability of RCOC's Persons Served to use the Property. Notwithstanding the foregoing, NPO shall be permitted to make

Improvements without RCOC's prior consent, to the extent that such Improvements are (a) decorative only, or relate to the normal repair and maintenance of the Property (e.g., the installation of carpeting, the painting of the walls of the Property, or the basic plumbing, mechanical, HVAC and electrical work); or (b) reasonably related to the existence of an emergency to the extent necessary to maintain the value of the Property and/or the ability to safely permit the continued occupancy thereof by RCOC's Persons Served. Except to the extent permitted by DDS' Letter of Conditional Approval (as defined by the CPP Guidelines), RCOC shall have no obligation to pay for the cost of any of the Improvements performed at the Property.

b. Deliverables. RCOC's obligation to disburse CRDP Funds relating to renovation work at the Property shall be conditioned on NPO's delivery to RCOC, and RCOC's approval of, all of the following: (i) overall construction and rehabilitation budget for the Property (including a budget for the Improvements and a budget for the appliances and fixtures NPO intends to purchase for the Property); (ii) construction drawings and specifications for the proposed Improvements; (iii) architect's contract, if applicable; (iv) structural engineer's contract, if applicable; and (v) construction contract between NPO and its general contractor, including contractor's fixed price or time & materials bid to perform the renovation work on the Property. When the renovation work is complete, NPO shall provide evidence that the applicable jurisdiction has issued a final Certificate of Occupancy or its equivalent for the Property.

c. Manner of Construction; Terms of Construction Contract. RCOC may impose, as a condition of its consent to any and all Improvements or repairs of the Property or about the Property, such requirements as RCOC in its reasonable discretion may deem desirable, including, but not limited to, the requirement that NPO utilize for such purposes only contractors, subcontractors, materials, mechanics and materialmen mutually approved by the parties. RCOC shall have the right to review and approve the terms and conditions of the construction contract between NPO and its general contractor for all Improvements. Further, each construction contract must contain the following provisions: (i) the contractor shall only be entitled to payments based upon performance; (ii) the contractor must provide appropriate conditional and unconditional mechanics lien releases, in accordance with standard construction industry practice, as a condition to its receipt of each installment payment and final payment and (iii) NPO will withhold a 10 percent retention, which it shall only disburse to the contractor after the renovation work is completed, a Certificate of Occupancy (or its equivalent) is provided by the local agency (e.g., building inspector), RCOC has completed its final walk through, and NPO and the Service Provider have signed the Certificate of Acceptance attached hereto as Exhibit "C" and incorporated herein by reference. NPO shall also include the following statement in each construction contract between NPO and the general contractor: "*Regional Center of Orange County is a third party beneficiary of all of Brilliant Corners' rights under this Contract.*"

d. Construction Insurance. Prior to the commencement of Improvements at each Property, NPO shall provide RCOC with evidence that adequate liability insurance from the contractor and adequate casualty insurance (such as "Builder's All Risk" insurance or another form of casualty insurance reasonably acceptable to RCOC) is obtained/maintained in an amount approved by RCOC (which shall in no event be less than the amount actually carried by NPO)

covering the construction of such Improvements, it being understood and agreed that all of such Improvements shall be adequately insured by NPO immediately upon completion thereof.

e. Compliance With Laws. NPO shall cause all Improvements and repairs to be performed in a good and workmanlike manner, in conformance with any and all applicable federal, state, county or municipal laws, rules and regulations and pursuant to a valid building permit, issued by the city or county in which the applicable Property is located, all in conformance with any commercially reasonable construction rules and regulations RCOC may promulgate from time to time.

f. Payment and Performance Bond; Alternative Performance Assurances. RCOC's disbursement of CRDP Funds for the Improvements shall be conditioned on either of the following, at RCOC's election: (i) NPO's delivery to RCOC of a Payment and Performance Bond from NPO's contractor in favor of NPO, in an amount equal to 100% of the expected costs of construction; or (ii) DDS' approval of, and NPO's compliance with, the "alternative performance assurances" described in Section IV(N) of the CPP Guidelines.

g. Timely Development. NPO is responsible and accountable for timely developing the Property so that it can be occupied by Persons Served pursuant to the terms of, and by the deadlines contained within, the CPP Guidelines. RCOC shall be responsible for timely identifying and selecting the Service Provider as well as the Persons Served for each Property, so that by the time the renovation work is completed, the Service Provider is prepared to occupy the Property and provide residential care services to Persons Served.

h. Disbursements; Procedures. RCOC shall disburse CRDP Funds for renovation work to NPO for the Property in accordance with the procedures in Section 11 below.

i. Monitoring of Plans and Work. RCOC may, in RCOC's sole and absolute discretion, monitor NPO's preparation of the plans and the contractor's performance of the renovation work, and NPO shall promptly respond to all inquiries, and cooperate, coordinate, and otherwise comply with RCOC's requests.

j. Monthly Updates. On a monthly basis during the installation of the Improvements, and at all times upon RCOC's request, NPO shall provide RCOC with an update as to the progress of its work.

k. NPO' Delivery of Proof of Expenditures; NPO' Return of Unused Funds. Upon NPO' completion of the Improvements at a Property, NPO shall provide to RCOC invoices and other evidences of NPO' costs for such work, including evidence of payment to third parties, and NPO hereby authorizes RCOC to audit NPO' books and records for such purpose. To the extent NPO receives funds before it incurs renovation costs, it is possible that funds disbursed by RCOC may exceed the total amount of funds necessary to complete the renovation work. If that occurs, NPO shall promptly return the excess funds to RCOC.

l. RCOC's Option to Deliver CRDP Funds to Third Parties. If a third party has recorded a lien or threatened to record a lien against a Property as a result of nonpayment for

their services, equipment or materials, or if RCOC otherwise reasonably believes that NPO may be in breach of contract with any third party, then RCOC may elect to disburse certain CRDP Funds directly to such third parties for NPO' benefit, rather than to NPO directly.

m. Purchased Furniture, Fixtures and Equipment. Any item of furniture, trade fixture, equipment or other personal property costing over two thousand dollars (\$2,000) that NPO purchases with funds supplied under this Agreement, and which has a useful life in excess of two years, shall be the property of the State of California. Upon termination of this Agreement for any reason, such items are subject to reclamation by the State.

n. Additional Requirements and Agreements. RCOC reserves the right to require NPO to enter into further agreements with RCOC to address the costs and procedures relating to NPO's renovation of the Property.

11. **DISBURSEMENT OF RENOVATION FUNDS.** RCOC shall disburse renovation funds to NPO for the Property in installments, as milestones are satisfied, as provided below, but never more than the Maximum Payment Obligation. RCOC shall remit each payment to NPO within thirty (30) days after RCOC receives a properly documented invoice from NPO, along with all applicable backup documentation as described below, as determined by RCOC. Any funds disbursed by RCOC in advance shall be subject to true up once NPO has incurred such expenses.

a. First Milestone: NPO's submission of documentation reasonably acceptable to RCOC that NPO has closed escrow on the Property and is the owner of fee title to the Property.

i. Amount of funds Payable to NPO upon its Completion of First Milestone: Thirty Percent (30%) of the Maximum Payment Obligation.

b. Second Milestone: NPO's submittal to RCOC, and RCOC's approval, of all of the following for the Property: (i) overall construction and rehabilitation budget (including a budget for the Improvements and a budget for the appliances and fixtures NPO intends to purchase for the Property); (ii) construction drawings and specifications for the proposed Improvements; (iii) architect's contract, if applicable; (iv) structural engineer's contract, if applicable; and (v) construction contract between NPO and its general contractor, including contractor's fixed price or time & materials bid to perform its work and install the Improvements.

i. Amount of Funds Payable to NPO upon its Completion of Second Milestone: Thirty Percent (30%) of the Maximum Payment Obligation.

c. Third Milestone: NPO's written certification to RCOC that the city or county inspector has approved the rough framing, electrical and plumbing work at the Property, along with NPO's delivery to RCOC of evidence of such approval (such as a signed inspection card from the inspector) (collectively, the "Inspector's Approval"), or RCOC's receipt and approval

of any alternative written certification from NPO that RCOC concludes is functionally equivalent to the Inspector's Approval.

i. Amount of Funds Payable to NPO upon its Completion of Third Milestone: Thirty Percent (30%) of the Maximum Payment Obligation.

d. Fourth Milestone: RCOC's satisfaction that all of the Improvements have been properly completed and that the Property is physically ready for occupancy by Persons Served, after RCOC's completion of a walk-through of the Property. NPO's written certification to RCOC that the city or county inspector has approved the final completion of the Property, along with NPO's delivery to RCOC of evidence of such approval (such as a signed inspection card from the inspector) (collectively, the "Inspector's Approval"), as well as full execution of the Certificate of Acceptance attached hereto as Exhibit "C" shall constitute NPO's satisfaction of this milestone.

i. Amount of Funds Payable to NPO upon its Completion of Fourth Milestone: Ten Percent (10%) of the Maximum Payment Obligation.

e. Deadline to Expend Funds. Notwithstanding anything in this Agreement to the contrary, the deadline for RCOC to disburse renovation funds to NPO is June 30, 2023, and NPO must therefore complete all renovations prior to such date, unless directed otherwise in writing by RCOC. All of RCOC's disbursements are conditioned upon NPO's compliance with the project milestones for the Property by such deadline; provided, however, the deadline for NPO to satisfy the Second Milestone for the Property shall be the earlier of the above deadline date or the 90<sup>th</sup> day after NPO purchases the Property.

11. **CRDP FUND RECOUPMENT**. As a condition of receiving funding under this Agreement, NPO is required to renovate and lease the Property to a third-party Service Provider to be used in perpetuity as an EBSH for regional center Persons Served, as set forth in this Agreement. This ninety-nine (99) year term shall run concurrently with the ninety-nine (99) year term required pursuant to Section 10 of the Acquisition Agreement. In addition, NPO is required to complete any and all requirements, improvements, work or activities to ensure that the Property meets all statutory and regulatory requirements to be utilized as an EBSH. If for any reason NPO ceases to lease the Property during the 99 year term as required under the terms of this Agreement, or the Property is not eligible for use as an EBSH, the funds provided under this Agreement shall immediately become due and payable as provided below. A temporary cessation of use of the Property by regional center Persons Served due to casualty or temporary condemnation not caused by the NPO shall not require the NPO to repay CRDP Funds.

a. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time up to twenty (20) years after the Property is acquired, then NPO shall immediately repay RCOC one hundred percent (100%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

b. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than twenty (20) years but less than forty (40) years after the Property is acquired, then NPO shall immediately repay RCOC eighty percent (80%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

c. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than forty (40) years but less than sixty (60) years after the Property is acquired, then NPO shall immediately repay RCOC sixty percent (60%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

d. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than sixty (60) years but less than eighty (80) years after the Property is acquired, then NPO shall immediately repay RCOC forty percent (40%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

e. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than eighty (80) years but less than ninety-nine (99) years after the Property is acquired, then NPO shall immediately repay RCOC twenty percent (20%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

12. **SECURITY.** The following documents shall be recorded on the Property as set forth in the Acquisition Agreement:

- a. DDS Restrictive Covenant, attached hereto as Appendix "A" to Exhibit "B";
- b. DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B";
- c. DDS Promissory Note, attached hereto as Appendix "C" to Exhibit "B";
- d. DDS Request for Notice of Default and/or Sale, attached hereto as Appendix "E" to Exhibit "B"; and
- e. Regional Center's Request for Notice of Default and/or Sale, attached hereto as Appendix "F" to Exhibit "B."

The recorded documents set forth above in this Section 12 shall include the total amount of CRDP Funds provided to NPO pursuant to both the Acquisition Agreement and this Agreement. Changes to the documents set forth in subsections (a) through (e) above and any future encumbrances against the Property are prohibited without the prior written consent of DDS. The documents in subsections (a) through (e) above may be recorded subordinate only to a DDS approved Senior Lender Deed of Trust.

13. **LEASE.** RCOC and NPO agree as follows with respect to leasing the Property:

a. Selection of Tenant. NPO acknowledges that, despite its position as landlord under the Lease, NPO has no right to select the master tenant. Rather, RCOC shall have the sole right to select the initial tenant and all replacement tenants for the Property; provided, however, each master tenant must be a service provider vendored by RCOC. Similarly, RCOC shall have the sole right to cause one master tenant to assign its interest under the Lease to a new master tenant.

b. The Lease Form; the Lease Addendum. NPO may use any form of lease it chooses, provided that RCOC approves such form in writing in advance. The Lease shall include a Lease Addendum that is identical to the Lease Addendum template attached hereto as Exhibit "D". All references in this Agreement to the "Lease" include the Lease Addendum. RCOC may require changes to the form of the Lease if so requested or required by DDS.

c. Specific Lease Restrictions. NPO shall not do any of the following without first obtaining RCOC's express written consent, which shall not be unreasonably withheld: (1) lease, sublease or license rights in the Property to any party other than the applicable Service Provider under the Lease; (2) materially modify or amend any Lease (including but not limited to the amount of the rent) or terminate any Lease; or (3) unreasonably hinder a Service Provider in providing services to the Persons Served residing in the Property.

d. Notification of Service Provider Delinquencies. As soon as NPO becomes aware of any delinquent rent payments under the Lease, or any other monetary or non-monetary default by a Service Provider under the Lease, NPO shall promptly notify RCOC of such fact in writing.

e. RCOC's Reimbursement to Service Provider. Subject to (1) NPO's compliance with the terms of this Agreement and (2) the Service Provider's compliance with the terms of its service provider agreement with RCOC for the Property (the "Service Provider Agreement"), RCOC will pay the Service Provider the amounts to which the Service Provider is entitled to receive under its Service Provider Agreement, including amounts sufficient satisfy the Debt Service (defined below).

i. Amount of Debt Service; Determination of Agreed Rent. The term "Debt Service" means NPO's total monthly repayment obligation for a senior lender loan ("Loan") encumbering the Property. With respect to the Property that NPO intends to purchase, the parties shall comply with the following procedure: (1) as soon as practicable before NPO purchases the Property, NPO shall inform RCOC of the expected Debt Service for such Property as of the expected commencement date of the Lease for the Property, as well as other continuing costs of Property ownership (including but not limited to property insurance, property management fees, property taxes [if applicable], the Reserve (defined in Section 13(i) below) and the cost of maintenance and repairs); (2) RCOC shall then have the right, in its sole and absolute discretion, to decide whether to approve the Debt Service and such other expected costs of Property ownership, or any lesser sum; the amount so approved by RCOC is the "Agreed Rent"; (3) NPO

shall have the right to approve RCOC's determination of the Agreed Rent; and (4) if NPO informs RCOC in writing that NPO does not agree with the amount of the Agreed Rent within 10 days after RCOC notifies NPO of the determination of the Agreed Rent, then such Property shall not be subject to this Agreement or entitled to any CRDP Funds.

ii. Payment of Agreed Rent. The Agreed Rent for the Property (1) shall become the monthly rent for such Property; and (2) shall be recognized by RCOC as a valid expense of the Service Provider as part of RCOC's calculation of the sums which the Service Provider shall be entitled to receive from RCOC under the Service Provider Agreement relating to such Property. Once the Service Provider's obligation to pay the Agreed Rent commences, the Agreed Rent shall not be abated or adjusted based on the occupancy level of the Residence at any time. The Agreed Rent shall remain a fixed amount even if the Loan has a variable interest rate or other features that cause the Debt Service to fluctuate, unless the parties expressly agree in writing that the Agreed Rent will fluctuate with the Debt Service during the Loan term.

(1) Reduction of Agreed Rent Upon Repayment of a Loan. Notwithstanding the provisions in Section 13(e)(ii) above, at such time(s) as the Loan to NPO has been repaid in full (without refinancing), the Agreed Rent for the applicable Property shall be reduced by an amount equal to the Debt Service previously owed (and, in such event, RCOC's payment to the Service Provider leasing the applicable Property shall be automatically reduced by the same amount).

(2) Reduction of Agreed Rent Tied to Reduction in Real Property Taxes for Tax Exempt Service Provider. Notwithstanding the provisions in Section 13(e)(ii) above, if the Service Provider or any successor Service Provider is a nonprofit entity under Internal Revenue Code section 501(c)(3), then once NPO receives the tax exemption described in Section 14 below, the Agreed Rent under the Lease shall be reduced by an amount equal to the difference between (i) the amount of real property taxes in effect on the date NPO acquired fee title to the applicable Property and (ii) the amount of the reduction in real property taxes as a result of obtaining the tax exemption (and, in such event, RCOC's payment to the Service Provider leasing the Property shall be automatically reduced by the same amount). Further, if the tax exemption is retroactive, NPO shall promptly remit to RCOC an amount equal to any tax refund payment NPO receives from the taxing authority. If the tax exemption is revoked, the Agreed Rent under the Lease shall be increased by a like amount (and, in such event, RCOC's payment to the Service Provider leasing the applicable Property shall be automatically increased by the same amount).

(3) Change of Agreed Rent Due to Changes in Operating, Maintenance and/or Repair Costs. Notwithstanding the provisions in Section 13(e)(ii), at NPO's request the parties shall meet (but not more often than every 12 months) to discuss whether to increase the Agreed Rent to the extent NPO's net operating, maintenance and/or repair costs have increased during such previous 12-month period (after taking into account any additional funds NPO has received from RCOC, the Service Provider or any third party during such time

period to compensate NPO for any changes in such costs). As a result of such meeting, the parties may mutually agree to increase the Agreed Rent to a new fixed monthly amount to reasonably account for such net cost increases; *provided, however*, (i) RCOC may consent or withhold its consent to any increase in Agreed Rent at RCOC's sole and absolute discretion; and (ii) RCOC may condition its agreement to increase the Agreed Rent on DDS's approval of such rent increase.

iii. Refinancing. If NPO refinances a Loan, the Agreed Rent for the Property shall remain its original fixed amount even if the amount of the Debt Service for the refinanced Loan is greater than, or less than, the Debt Service for the original Loan. If the refinanced Loan has a variable interest rate or other features that cause the Debt Service under the refinanced Loan to fluctuate, the Agreed Rent shall remain a fixed amount, unless the parties expressly agree a written agreement that the Agreed Rent will fluctuate with the Debt Service during the term of any refinanced Loan. Notwithstanding anything herein to the contrary, at any time the Debt Service for any Loan or refinanced Loan is reduced to below the original Debt Service, RCOC shall have the option to reduce the Agreed Rent to an amount determined by RCOC in its sole and absolute discretion; provided, however, such reduction of Agreed Rent shall not be more than the amount of the reduction between the original Debt Service and the new Debt Service. The parties acknowledge that DDS must consent to the refinancing of the Property.

f. NPO's Lease Obligations. At minimum, NPO shall be responsible for all of the following obligations under the Lease (at no additional cost to the Service Provider or RCOC, as such costs are built into the rent): (1) all expenses, costs and amounts of every kind and nature reasonably necessary or appropriate to manage the Property; (2) maintaining and repairing the residence on the Property ("Residence") (including but not limited to the roof, foundation, floor slab, structural components, landscaping and its mechanical, electrical and plumbing components) in good condition, order and repair; (3) the cost of any insurance which NPO determines to carry; (4) fees, charges and other costs, including consulting fees, legal fees and accounting fees, of all contractors engaged by NPO or otherwise reasonably incurred by NPO in connection with the management, renovation, improvement, maintenance and repair of each Residence; (5) wages, salaries and other compensation and benefits of all persons engaged in the management, maintenance or security of the Property, and employer's Social Security taxes, unemployment taxes or insurance, and any other taxes which may be levied on such wages, salaries, compensation and benefits; (6) real property taxes [if any] and assessments; and (7) to the extent applicable, the cost of annually filing the welfare tax abatement described in Section 14 below so that it does not lapse. Notwithstanding the foregoing, the cost of any repairs or replacements to the Residence resulting from the negligence or intentional misconduct of a Service Provider or any Person Served shall be the responsibility of the Service Provider.

g. Compliance with RCOC's Instructions. NPO agrees to promptly perform all acts and sign all documents relating to the Lease as RCOC may from time to time instruct. Thus, for example, if RCOC decides that a Lease should be amended in a manner that will not materially increase NPO's obligations or materially reduce its rights thereunder, or that a Lease amendment

or sublease should be consented to, or that the existing Service Provider tenant should assign its rights to a new Service Provider tenant, then NPO shall promptly take the necessary action to accomplish the same in accordance with RCOC's instructions.

h. Use by Service Provider. Once the initial Service Provider has leased a Property, RCOC shall be solely responsible for replacing the Service Provider during the Lease term, and RCOC shall pay an amount equal to the Agreed Rent when such Property is not leased during the term of this Agreement.

i. The Reserve Account.

i. From each payment of Agreed Rent with respect to the Property, NPO shall deposit the sum of \$500 per month per home (the "Reserve") into a segregated account in NPO's name (the "Reserve Account"). The purpose of the Reserve is to create a fund for repairs and replacements to the capital improvements at the Properties, including but not limited to the roof, foundation, and structural elements of the Residences thereon. The Parties agree that the proposed Reserve deposit may be adjusted by mutual agreement during the DDS escrow phase proposal or upon completion of renovations.

ii. The funds in the Reserve Account shall be segregated from NPO's operating account and other accounts. However, NPO may hold reserves for other homes in the Reserve Account, as long as (i) such homes are also occupied by RCOC's Persons Served, (ii) such homes are located in RCOC's catchment area (unless otherwise approved by RCOC in writing) and (iii) NPO's books and records at all times reflect the amount of the funds in the Reserve Account applicable to the Property. NPO shall not use the Reserve for any other property without first obtaining RCOC's written consent.

iii. NPO's release and application of funds from the Reserve Account shall be subject to monitoring by RCOC. NPO shall notify RCOC in writing each time NPO withdraws funds from the Reserve Account. Further, NPO shall not expend more than One Thousand Dollars (\$1,000) from the Reserve Account for any one repair at the Property without first obtaining RCOC's written approval, which shall not be unreasonably withheld.

iv. At any time during the term of the Lease, at RCOC's request and for reasonable cause, NPO shall increase or decrease the monthly amount of the Reserve, subject to (i) both parties' review of the Property's operating income and expenses to determine if such change is justified; and (ii) any lender reserve-for-replacement requirements.

v. At least once per year, and more often if requested by RCOC, NPO shall provide a Reserve Report to RCOC. The Report shall (i) estimate the remaining useful life of capital improvements at the Property, both individually and collectively, (ii) estimate the amount of funds reasonably needed to timely replace such capital improvements, (iii) state the total amount in the Reserve Account applicable to the Property and (iv) list all expenditures from the Reserve Account during the prior 12 month period applicable to the Property.

14. **PROPERTY TAX EXEMPTION.** In the event that the third-party service provider selected by RCOC is a 501(c)(3) non-profit organization, NPO shall file a property tax exemption application as early as possible after the NPO purchases the Property and has signed a lease with the third-party service provider, but no later than the first day the first regional center Person Served occupies the Property. If the Property is exempt (or intended to be exempt) from real property taxes, NPO shall (a) insure all assessments are timely paid; and (b) take all necessary actions within its control to insure the Property's tax exempt status is not lost. If the Property is not exempt from real property taxes, NPO shall insure all property taxes and assessments are timely paid.

15. **RIGHT OF ACCESS.** Without limiting any rights of access which RCOC and/or DDS may have irrespective of this Agreement, representatives of RCOC and/or DDS shall have a reasonable right of access to the Property for purposes of inspecting and evaluating the Property and any construction or other work being performed thereon. NPO shall cooperate with providing RCOC access and information as required for RCOC to complete all monitoring and reporting requirements, including the Community Placement Plan Housing Annual Report, attached hereto as Appendix "M" to Exhibit "B."

16. **MANAGEMENT AND MAINTENANCE.** NPO shall, at NPO's sole cost and expense (except as otherwise provided below), keep the Property (including, without limitation, the exterior walls, foundation, roof structure and membrane, and all improvements, fixtures, equipment, appliances, water lines, plumbing, plumbing fixtures, electrical, heating and air conditioning systems and furnishings therein), in good order, repair and condition at all times during the term of this Agreement. NPO shall maintain the Property in an aesthetically pleasing manner, and in a manner consistent with that which could be considered normal and customary for private residences (i.e., at a minimum, in material conformance with the standards of landscaping and appearance observed in the surrounding neighborhood). All such above-referenced items shall function at the Property for its intended purpose. In addition, NPO shall, at NPO's sole cost and expense, promptly and adequately repair all damage to the Property and replace or repair all damaged, broken, or worn fixtures and appurtenances, including any damage caused by ordinary wear and tear; provided however, that, at RCOC's option, or if NPO fails to make such repairs, RCOC may, but need not, make such repairs and replacements, and NPO shall pay RCOC the cost thereof. Each Property shall be subject to periodic inspections by RCOC. Notwithstanding the foregoing, to the extent NPO and RCOC agree that some or all of NPO's obligations hereunder are to be performed by a third-party entity or individual (such as pursuant to a management agreement), NPO shall be responsible for ensuring that any such third-party contractor shall comply with the requirements imposed on NPO pursuant to the terms of this Agreement, and in any event NPO shall continue to remain ultimately responsible to RCOC for the performance of all of the obligations set forth in this Agreement.

17. **LIENS AND STOP NOTICES.** If a claim of a lien or stop notice is given or recorded affecting the Property, NPO shall within thirty (30) days of such recording or service:

- a. Pay or discharge the same; or

b. Affect the release thereof by recording and delivering to RCOC a surety bond in sufficient form and amount, or otherwise; or

c. Provide RCOC with other assurance that it deems, in RCOC's sole discretion, to be satisfactory for the payment of such lien or bonded stop notice and for the full and continuous protection of RCOC and DDS from the effect of such lien or bonded stop notice.

**17. RECORDS.**

a. Maintain Complete Books and Records. In addition to any statutory and regulatory requirements regarding recordkeeping, NPO shall keep books and records as shall be necessary relating to the Work so as to enable RCOC to evaluate performance under this Agreement. Books and records pertaining to costs shall be kept and prepared in accordance with Generally Accepted Accounting Principles (GAAP). Project Manager, RCOC and their staff, legal counsel, and other RCOC consultants (as approved by Project Manager) shall have full and free access to all books and records of NPO (and any subcontractor), pertinent to this Agreement, at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from the records.

i. NPO shall prepare and maintain accurate and complete financial records of its business operations, and in particular records related to the Work, in accordance with all statutory and regulatory requirements.

b. Inspection and Access to Records. Without limiting any rights to access which RCOC may have irrespective of this Agreement, Project Manager and any authorized RCOC representatives shall have access to NPO's records for the purpose of monitoring performance and provision of the Work pursuant to this Agreement. NPO shall make available its records within the borders of Orange County within ten (10) days after receipt of written demand by Project Manager or his/her designee. In the event NPO does not make available its records within the borders of Orange County, NPO agrees to pay all necessary and reasonable direct and indirect expenses incurred by RCOC or RCOC's designee necessary to obtain NPO's records.

c. Reports. Upon request by the Project Manager, NPO shall submit a written progress report addressing the Work performed, progress toward the objective of the Agreement, difficulties encountered during the reporting period, and any remedial/corrective action taken.

**18. ZERO TOLERANCE POLICY.** NPO shall ensure all of its employees are fully informed upon hire, and annually thereafter, about RCOC's Zero Tolerance Policy Regarding Abuse or Neglect of Those We Serve, pursuant to the Elder Abuse and Dependent Adult Civil Protection Act (California WIC section 15600-15675), and Child Abuse and Neglect Reporting Act (California Penal Code sections 11164-11174.3). Such policy is posted on RCOC's website. Any NPO employee or agent who fails to report Person Served abuse or neglect may be subject to penalties defined in law (WIC, section 15630(h)). In addition, upon becoming aware of a reportable incident or allegation of abuse or neglect of a Person Served, NPO shall take immediate action to protect the health and safety of the involved Person Served and all other

Persons Served. NPO shall ensure its staff has knowledge of the signs of abuse and neglect, the process for reporting suspected abuse or neglect, and the consequences of failing to follow the law or adhere to RCOC's Zero Tolerance Policy. NPO's failure to comply with the policy and the abuse/neglect reporting laws is considered a material breach of this Agreement.

**19. NOTICES.**

a. Method and Form of Notice. Unless otherwise specified, all formal notices, claims, correspondence, or reports shall be addressed as follows:

**RCOC:** Regional Center of Orange County  
1525 N. Tustin Avenue  
Santa Ana, CA 92705  
Attn: Jack Stanton

**NPO:** Brilliant Corners  
1360 Mission St., Suite 300  
San Francisco CA 94103  
Attn: William F. Pickel, CEO

All notices shall be deemed effective when in writing and personally delivered or deposited in the United States mail, express, priority or first class, postage prepaid and addressed as above. Any notices addressed in any other fashion shall be deemed not given. Project Manager and NPO may mutually agree in writing to change the addresses to which notices are sent.

b. Advisory Notices Required. NPO shall immediately notify RCOC, in writing, whenever NPO has knowledge that there is or may be a delay in the timely performance of this Agreement. NPO shall include all relevant information with respect to the actual or potential delay.

**20. TERM AND TERMINATION.**

a. Term of Agreement. The term of this Agreement shall commence on Date of the Agreement provided above and shall terminate two (2) years therefrom, unless earlier terminated pursuant to the provisions of this Section 20 of this Agreement.

b. Grounds for Immediate Termination. RCOC may immediately terminate this Agreement in any of the following circumstances:

i. In the event RCOC has reasonable grounds to believe that NPO has offered or given any gratuity to any officer or employee of RCOC that would tend to influence that person's decision regarding any aspect of this Agreement.

ii. In the event an enforcement action, such as a vendorization termination, is taken against NPO which frustrates the purposes of this Agreement. In the event of such termination, NPO shall repay to RCOC all funds provided pursuant to this Agreement.

c. Termination for Cause Due to Default of NPO. RCOC reserves the express right to terminate this Agreement for cause due to the default (as defined in Section 21) of NPO in its performance of obligations under this Agreement, provided that RCOC shall first provide NPO with written notice of any such default and, if such default is susceptible to cure, provide NPO with thirty (30) calendar days in which to cure such default to RCOC's satisfaction (in which event such notice of termination shall be deemed rescinded, and this Agreement shall remain in full force and effect in accordance with its terms). If NPO fails to cure the default within the thirty (30) day period, RCOC shall be entitled to terminate the Agreement for cause by providing NPO written notice thereof. In the event this Agreement is terminated pursuant to this subsection, NPO shall immediately repay RCOC all funds provided pursuant to this Agreement.

21. **DEFAULT.** Failure by NPO to perform and/or comply with any provision, covenant, or condition of this Agreement shall be a default of this Agreement. In the event of default RCOC may avail itself of any remedies available at law, in equity, or otherwise specified in this Agreement (including immediate termination for cause as set forth in Section 20(c) above).

22. **COUNTERPARTS.** This agreement may be executed in several counterparts, all of which shall constitute but one and the same instrument. Faxed and/or electronically scanned signatures shall have the same force and effect as an original signature.

23. **DISPOSAL POLICY.** NPO shall develop a written policy on the disposal of any existing fixtures and major appliances that are included in the Property's purchase. The disposal policy shall be provided to RCOC prior to the commencement of any work on the Property.

24. **GENERAL TERMS AND CONDITIONS.**

a. Compliance with Laws. NPO shall provide all Work in accordance with all applicable federal and state laws, statutes and regulations and local ordinances and resolutions. NPO shall comply with all laws, rules or regulations applicable to the Scope of Work and provision of Work, as any may now exist or as changed or added after the Date of Agreement.

b. Familiarity with Work. By executing this Agreement and prior to performing or providing any Work under this Agreement, NPO warrants and shall be satisfied that (a) it has thoroughly investigated and considered the Work, (b) it has carefully considered how the Work should be performed, will be implemented, and will be completed, and (c) it fully understands the facilities, difficulties, and restrictions, attending carrying out the performance obligations of this Agreement.

c. Care of Work. NPO shall adopt reasonable methods during the term of this Agreement to furnish continuous protection to the Property, facilities, equipment, and persons

providing the Work, and to the work product, records, and other papers to prevent losses or damages. NPO shall be responsible for all losses or damages, to persons or property (including real property, personal property, both tangible and intangible), except the losses or damages as may be caused by RCOC's sole negligence. The performance of Work by NPO shall not relieve NPO from any obligation to correct any incomplete, inaccurate, or defective work or service at no further cost to RCOC, when the inaccuracies are due to the negligence, action, or inaction of NPO.

d. Severability. If a court of competent jurisdiction declares any provision of this Agreement or its application to any person or circumstances to be invalid or if any provision of this Agreement contravenes any federal, state, or county statute, ordinance, or regulation, the remaining provisions of this Agreement or its application shall remain valid, and the remaining provisions of this Agreement shall remain in full force and effect, and to that extent the provisions of this Agreement are severable.

e. California Law. This Agreement shall be construed and interpreted both as to validity and to performance in accordance with the laws of the State of California. Legal actions concerning any default, dispute, interpretation, declaration of rights, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in the county, and NPO covenants and agrees to submit to the personal jurisdiction of the court in the event of any action.

f. Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair any right or remedy or be construed as a waiver. One party's consent or approval of any act by the other party requiring the other party's consent or approval shall not be deemed to waive or render unnecessary the party's consent to or approval of any subsequent act of the party. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

g. Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of the rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

h. Covenant Against Discrimination. In the performance of this Agreement, NPO shall not engage in, nor permit any employee or agent to engage in discrimination in employment of persons or provision of Services or assistance, nor exclude any person from participation in, nor deny any person the benefits of, nor or subject any person to discrimination under any program or activity funded in whole or in part with RCOC funds on the grounds of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, gender or sexual orientation, except as permitted by applicable provisions of Federal and State law. NPO

shall comply with Title II of the Americans with Disabilities Act, (42 U.S.C. §12101, *et. seq.*) as it relates to public accommodations.

i. Legal Action. In addition to any other rights or remedies, either party may take legal action, at law or at equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

j. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the non-prevailing party.

k. Waiver of Jury Trial. Both RCOC and NPO agree and acknowledge that each is aware of and has had the opportunity to seek advice of counsel of its choice with respect to its rights to trial by jury, and each party, for itself and its successors, creditors, and assigns, expressly and knowingly waives and releases all rights to trial by jury in any action, proceeding or counterclaim brought by any party against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on or with regard to any matters of any kind or type arising out of or in any way connected with this Agreement and/or any other claim of injury or damage.

l. Time of Essence. Time is of the essence in the performance of this Agreement.

m. Confidentiality of Records. The NPO shall maintain confidentiality of records in accordance with the law, including, but not limited to, the provisions of Welfare and Institutions Code §§4514, 5328, and 14100.2. The NPO and all employees shall respect the confidentiality of all person served information they receive.

n. Survival. The rights and obligations set forth in this Agreement shall extend beyond the term or termination of this Agreement only to the extent expressly provided for herein, or to the extent that the survival of such rights or obligations are necessary to permit their complete fulfillment or discharge.

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IN WITNESS WHEREOF, RCOC and NPO have executed this Agreement as of the date first written above.

**REGIONAL CENTER OF ORANGE COUNTY**

\_\_\_\_\_  
Larry Landauer, M.S.W., Executive Director

**BRILLIANT CORNERS**

\_\_\_\_\_  
Name/Title:\_\_\_\_\_

**EXHIBIT "A"**  
**SCOPE OF WORK**

Brilliant Corners ("NPO") shall renovate and maintain one (1) single family residence ("Property") acquired pursuant to the Acquisition Agreement to be leased to a third-party service provider selected by RCOC ("Service Provider") and used in perpetuity as an EBSH. EBSH shall mean an Enhanced Behavioral Supports Home meeting the requirements of Article 3.6 of Chapter 6 of Division 4.6 of the California Welfare and Institutions Code (§§4684.80 - 4684.86).

NPO shall renovate the home as necessary to meet all statutory and regulatory requirements for the Property to be utilized as an EBSH, as well as to meet the unique needs of the identified regional center Persons Served that will reside there. NPO shall only be reimbursed for eligible renovation costs, as set forth in Section VII.B. of Exhibit "B", unless otherwise approved in advance by RCOC. NPO shall take all actions reasonably within its control to have the Property ready for occupancy by Persons Served no later than six (6) months from the date of close of escrow.

**EXHIBIT “B”**  
**FISCAL YEAR 2017-18 COMMUNITY PLACEMENT PLAN**  
**HOUSING GUIDELINES**  
**INCLUDING OCTOBER 5, 2020 AMENDMENTS**

**EXHIBIT C**  
**FORM OF CERTIFICATE OF ACCEPTANCE**

CERTIFICATE OF ACCEPTANCE

Reference is made to that certain Lease dated as of \_\_\_\_\_, 20\_\_ (the "Lease"), by and between Brilliant Corners, as Landlord, and \_\_\_\_\_, as Tenant, for the property located at \_\_\_\_\_. Capitalized terms used, but not defined, herein shall have the meaning set forth in the Lease.

In accordance with the Lease, the Parties have inspected the Premises and have determined that all work required to be performed by, or on behalf, of the Landlord necessary to permit the Premises to be utilized by the Tenant for the Permitted Use has been completed. Therefore, the Parties desire to execute this Certificate of Acceptance, and the Parties mutually agree and acknowledge as follows:

The date of inspection of the Premises by the Parties was: \_\_\_\_\_.

The Commencement Date is: \_\_\_\_\_.

The Rent Reduction Period commences as of: \_\_\_\_\_.

The first payment of Base Rent is due no later than: \_\_\_\_\_ **[INSERT DATE 6 MONTHS AFTER THE COMMENCEMENT DATE]** (provided, however, as set forth in the Lease, the Parties acknowledge that the Rent Reduction Period shall end sooner if full occupancy of the Building occurs prior to the first (1st) day of the seventh (7th) full calendar month after the Commencement Date).

As of the Commencement Date (as set forth above), the Tenant acknowledges that the Landlord has delivered exclusive occupancy of the Premises to the Tenant, that the Tenant accepts the Premises in its current and existing condition, and that the Tenant is obligated to pay Rent to the Landlord in accordance with the terms of the Lease. Nothing in this Certificate of Acceptance shall be deemed to waive any provision of the Lease.

AGREED AND ACCEPTED BY:

**LANDLORD:**

BRILLIANT CORNERS, a California  
nonprofit public benefit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**TENANT:**

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT D**  
**ADDENDUM TO LEASE**

## ADDENDUM TO LEASE

This is an Addendum to the Lease dated \_\_\_\_\_, 20\_\_ between Brilliant Corners, a California nonprofit corporation ("Landlord") and \_\_\_\_\_ ("Tenant") for premises commonly known as \_\_\_\_\_ in \_\_\_\_\_, California (the "Premises"). If any inconsistency exists between the Lease and the terms of this Addendum, the terms of this Addendum shall control.

The parties further agree as follows:

1. Third Party Beneficiary. Regional Center of Orange County, a California nonprofit corporation ("RCOC"), is a third party beneficiary of both (1) Landlord's rights against Tenant and (2) Tenant's rights against Landlord under this Lease.

2. Use of the Premises; Permitted Uses. The Premises shall be used solely as a long-term residence for persons with developmental disabilities and eligible for services from RCOC (the "Intended Use"). Tenant shall not use the Premises for any other use without (1) Landlord's prior written consent, which shall not be unreasonably withheld, and (2) RCOC's prior written consent. The purpose of this provision is to ensure that the use of the Premises is maintained for the benefit of persons with developmental disabilities, in accordance with the Restrictive Covenant encumbering the Premises.

3. Vendorization Compliance. During the Term of this Lease, Tenant shall at all times: (1) maintain its vendorization with RCOC; (2) comply with all service provider vendorization and other applicable requirements under law (including but not limited to the applicable provisions in Titles 17 and 22 of the California Code of Regulations and Divisions 4.5 and 9 of the California Welfare and Institutions Code); and (3) comply with all requirements of Tenant's Service Provider Agreement with RCOC (hereinafter collectively, the "Vendorization Requirements"). RCOC's delivery of written notice to Landlord that Tenant is in breach of any Vendorization Requirement shall constitute a default and breach under this Lease; provided, however, RCOC will not provide such notice to Landlord until after (1) RCOC has notified Tenant in writing that Tenant is in breach of the Vendorization Requirements and (2) Tenant fails to cure such breach by the deadline set forth in RCOC's notice (based on the notice and cure periods set forth in the Service Provider Agreement between RCOC and Tenant in its capacity as Service Provider). Upon Landlord's receipt of such notice, Landlord shall promptly exercise its rights under the Lease to evict Tenant (or require Tenant to assign its rights under this Lease to a new Service Provider selected by RCOC as provided in Section 5 below); provided, however, (1) all costs of such eviction or lease assignment shall be borne by RCOC and (2) at RCOC's request, Landlord will delegate to RCOC the authority to engage counsel to evict Tenant on behalf of Landlord.

4. Insurance Policy Requirements. All insurance policies that Tenant is obligated to maintain under this Lease shall (a) provide that they will not be cancelled on less than 30 days' prior written notice to Landlord and RCOC and (b) in the case of liability policies, contain a named insured endorsement and name Landlord and RCOC as "additional named insureds". Certificates of insurance shall be provided to Landlord and RCOC upon request during the Term.

5. Default; Special Notice, Cure and Assignment Rights Available to RCOC. Notwithstanding anything in the Lease to the contrary, no Tenant default shall occur until Landlord has also notified RCOC in writing of the breach and has given RCOC the same amount of time to cure the breach as Tenant is entitled under this Lease. If RCOC timely cures the breach, then RCOC may elect to designate a replacement tenant in lieu of Tenant (a "Designee") upon delivery to Landlord, as soon as practicable after such cure, of a written assumption by the Designee of Tenant's obligations under this Lease (and RCOC shall be responsible for paying all rent in the interim). The date of any such delivery of such written assumption of Tenant's obligations by Designee pursuant to the foregoing sentence is hereinafter referred to as the "Default Assignment Date." In the event of any such election, Landlord agrees to recognize the assignment of this Lease to the Designee, in the manner and on terms and conditions more fully described below, and to accept the performance by the Designee as the tenant under this Lease, subject to all of the terms and conditions hereof:

5.1 Upon a Default Assignment Date, Tenant shall be deemed to have made an absolute, irrevocable assignment without any condition precedent, for purposes of vesting in the Designee all of Tenant's right, title and interest in this Lease, and in and to the following intangible property, agreements and deposits which are now or hereafter used in connection with the operation of the Premises (collectively, the "Intangibles"): (1) Tenant's management agreements and service contracts for the benefit of the Premises and which can be terminated without penalty by Tenant within 30 or fewer days' notice; (2) all existing agreements with RCOC's consumers who reside on the Premises (the "Residents"), to the extent assignable by Tenant (excluding the right to any payments for periods prior to the Default Assignment Date); and (3) all deposits of any nature (including but not limited to security deposits, utility deposits and Residents' deposits), prepaid rent and Residents' personal accounts held by Tenant. Designee agrees to assume all of Tenant's obligations under the Intangibles from and after the Default Assignment Date.

5.2 Upon the Default Assignment Date, the Designee shall be responsible for and shall pay all accrued expenses with respect to the Premises accruing on or after the Default Assignment Date and shall be entitled to receive and retain all revenues from the Premises accruing on or after the Default Assignment Date.

5.3 Upon the Default Assignment Date, all necessary arrangements shall be made to provide possession of the Premises to the Designee as soon as is practicable, but in no event later than five (5) days after RCOC notifies Tenant of the name and address of the Designee. At the time Tenant transfers possession of the Premises to the Designee, Tenant shall deliver to RCOC and the Designee (1) all Resident records and other personal information concerning all Residents residing at the Premises as of the Default Assignment Date and (2) all financial statements and other relevant records used or developed in connection with the Premises or business conducted at the Premises. Such transfer and delivery shall be in accordance with all legal requirements concerning the transfer of such records.

5.4 On the Default Assignment Date, Tenant shall provide RCOC with an accounting of all funds belonging to Residents at the Premises that are held by Tenant in a custodial capacity. Such accounting shall set forth the names of the Residents for whom such funds are held and the amounts held on behalf of each such Resident. Additionally, Tenant shall

make or assist with all necessary arrangements to transfer such funds to a bank account designated by RCOC, and RCOC or its Designee shall in writing acknowledge receipt of and expressly assume all Tenant's financial and custodial obligations with respect thereto.

5.5 All cash, checks and cash equivalents at the Premises and deposits in bank accounts (other than any client trust accounts) relating to the Premises on the Default Assignment Date shall remain Tenant's property after the Default Assignment Date. Tenant shall remain responsible for the payment of its liabilities, including accounts payable and payment of rent hereunder. RCOC or its Designee shall assume responsibility for the billing and collection of payments on account of services rendered by Designee on and after the Default Assignment Date. All payments applicable to services rendered after the Default Assignment Date shall be retained by RCOC or its Designee. RCOC or its Designee shall cooperate with Tenant in Tenant's collection of its remaining accounts receivable. Neither RCOC nor its Designee shall have any liability for uncollectible receivables, and neither shall be obligated to bear any expense as a result of such activities on behalf of Tenant.

5.6 RCOC or its Designee shall have an option to purchase any, all, or none of Tenant's furnishings and equipment used in the operation of the Premises for a price equal to its then fair market value (provided, however, to the extent (1) such furnishings and equipment were already located at the Premises at the time Tenant began to lease the Premises or (2) Tenant or its predecessor(s) had purchased such equipment and furnishings with funds provided by RCOC or any of them, Tenant shall transfer ownership of such equipment and furnishings to RCOC or its Designee for no additional consideration). RCOC or its Designee may exercise its option at any time prior to the expiration of 30 days following the Default Assignment Date. If the parties are unable to agree upon the fair market value of any equipment or furnishings which RCOC or its Designee elects to purchase, RCOC shall remit what it reasonably believes to be fair market value, Tenant shall transfer the items to RCOC or its Designee and the parties shall resolve any remaining differences by jointly selecting a third party appraiser to value the items, and such appraiser's decision will be binding on the parties; if the parties are unable to agree on an appraiser, either party may petition to a judge of the Superior Court in the County in which the Premises is located to select an appraiser on behalf of the parties. RCOC or its Designee shall also have the right to purchase all, some, or none of Tenant's supplies on hand upon the Default Assignment Date for a price equal to their cost to Tenant. Such option may be exercised at any time prior to the expiration of 30 days following the Default Assignment Date.

5.7 RCOC or its Designee shall have the right to download, copy, or otherwise use any computer programs used in the operation of the Premises, without charge by Tenant, for a period of six months following the Default Assignment Date. Tenant agrees not to erase or delete any data available upon its computer system that relates to the operation of the Premises.

5.8 The parties acknowledge that in the event RCOC elects to cause this Lease to be assumed by a Designee pursuant to this Section 5, it may take several months for such Designee to obtain all necessary licenses and permits and a new agreement between it and RCOC for the Designee to provide residential care services for people with developmental disabilities ("Provider Agreement"). In light of the foregoing, Tenant agrees that upon the Default Assignment Date, Tenant shall, at RCOC's option but at no cost to Tenant, enter into appropriate interim arrangements with the Designee, effective as of the Default Assignment

Date, whereby Tenant shall continue to operate the Premises as licensee for so long as it takes the Designee to obtain the necessary licenses and permits and new Provider Agreement, provided that Tenant may, in coordination with the California Departments of Health Services and Social Services, (1) delegate to Designee (or RCOC), as manager of the Premises, any and all functions that it is permitted to delegate under California law; and/or (2) allow Designee to use Tenant's Medicare and Medicaid (including Medi-Cal) provider numbers ("Provider Numbers") until it obtains new Provider Numbers. Any Designee that operates the Premises under Tenant's License or Provider Number shall not be the subject of a current license revocation or a current termination of a Medicare or Medicaid provider agreement. The agreement(s) documenting such interim arrangements shall provide that the Designee shall indemnify Tenant for any losses or damages incurred by Tenant as a direct result of the Designee's negligence, including, without limitation, any actions taken by the California Department of Developmental Services or any other governmental agency, in response to acts or omissions of the Designee at the Premises while operating under Tenant's Licenses and Permits that have a quantifiable adverse effect on the ability of Tenant to secure or maintain an intermediate care residence or an adult residential care residence license, where applicable. In order to receive such indemnity, Tenant shall be required to demonstrate that the adverse effect would not have occurred but for the acts or omissions of the Designee.

5.9 Tenant further agrees to take any action RCOC deems reasonably necessary to prevent, and Tenant shall not permit the occurrence of (1) a lapse in or limitation in the licenses and permits required to operate the Premises for its Intended Use (the "Licenses and Permits") (or the eligibility of the Premises for Medicare or Medi-Cal reimbursement, if applicable), (2) transfers of Residents from the Premises and/or (3) appointment of a temporary manager (not approved by RCOC) or receiver.

5.10 Without limiting the foregoing, Tenant agrees, after a breach and upon RCOC's request, to: (1) sublease the Premises to the Designee subject to the provisions of Section 5 hereof; (2) cease providing licensed care or services at the Premises; (3) cease representing itself to the public as having the Licenses and Permits to provide licensed care or services at the Premises; (4) provide for the management of the Premises by the Designee; and/or (5) provide for any other transfers or arrangements that RCOC deems necessary to effectuate the purposes of this provision.

## 6. Assignment, Subletting and Lease Modifications

6.1 Transfers. Tenant is prohibited from, and shall not assign, sublet, encumber, mortgage, transfer or dispose of (each a "Transfer") all or any part of the Premises, this Lease or Tenant's leasehold estate hereunder, without first obtaining the written consent of RCOC.

6.2 Lease Modifications/Terminations Require Consent of RCOC. Neither Landlord nor Tenant shall amend or modify this Lease without first obtaining the written consent of RCOC. Neither Landlord nor Tenant shall terminate this Lease without first obtaining the written consent of RCOC. Any such purported amendment, modification or termination without RCOC's written consent shall be voidable at RCOC's option. RCOC may condition its consent to the termination of this Lease on its approval of a replacement Lease for the Premises between

Landlord and a new tenant (who is approved in accordance with the terms in Paragraph 6.1 above) that contains the same terms and conditions of this Lease, including the same protections for the RCOC as in this Lease.

6.3 Assignee's Assumption of Lease Obligations. No assignment by Tenant of this Lease shall be valid unless and until (1) the requirements of Paragraph 6.2 above have been complied with (or the assignee is a Designee as defined in Paragraph 5 above) and (2) the assignee executes and delivers to Landlord a written assumption of Tenant's obligations under this Lease for the benefit of Landlord.

7. Tenant's Indemnities. Tenant shall indemnify, hold harmless and defend Landlord and RCOC from and against any and all liabilities, claims, damages, costs and expenses, including reasonable attorneys', consultants' and experts' fees and expenses, imposed upon or incurred by Landlord or RCOC to the extent resulting from: (a) any personal injury to RCOC's consumers or other third parties or property damage occurring during the Term on or about the Premises caused by the negligence of Tenant or any employee, agent, contractor, consultant, subtenant or invitee of Tenant working in or from the Premises; (b) any failure on the part of Tenant to perform or comply with any of the terms of this Lease; and (c) any claim for negligence or misconduct committed by any Resident or by Tenant or by any employee, agent, contractor, consultant, subtenant, or invitee of Tenant working in or from the Premises.

8. Landlord's Indemnities. Landlord shall indemnify, hold harmless and defend Tenant and RCOC from and against all liabilities, claims, damages, costs and expenses, including reasonable attorneys', consultants' and experts' fees and expenses, imposed upon or incurred by Tenant or RCOC to the extent resulting from: (a) any accident, injury to or death of third parties or loss of or damage to property occurring prior to the Term on or about the Premises; (b) any failure on the part of Landlord to perform or comply with any of the terms of this Lease; and (c) the negligence of Landlord or Landlord's agents, employees, contractors or invitees.

9. Estoppels for RCOC. Landlord and Tenant shall each provide Estoppel Certificates to RCOC upon request, certifying (a) that this Lease is unmodified and in full force and effect (or if modified setting forth the modifications); (b) the dates to which the rent has been paid; (c) whether, to the responder's knowledge, any party is in default in the performance of any provision contained in this Lease and, if so, specifying such default(s); and (d) responses to such other questions or statements as RCOC shall reasonably request. The responder's failure to timely deliver such statement shall constitute an acknowledgment by the responder that (i) this Lease is unmodified and in full force and effect except as may be represented to the contrary by RCOC; and (ii) the other matters set forth in such request are true and correct.

10. Changes in Rent.

10.1 Reduction of Rent Upon Repayment of a Loan. At such time(s) as each loan secured by a deed of trust encumbering the Premises has been repaid in full (without refinancing), the rent under this Lease shall be reduced by an amount equal to the monthly installment payments previously owed by Landlord to such lender (and Tenant's rate of payment under its Service Provider Agreement with RCOC shall be reduced by the same amount).

10.2 Reduction of Rent Tied to Reduction in Real Property Taxes for Tax Exempt Service Provider. If the Tenant or any successor Tenant is a nonprofit entity under Internal Revenue Code section 501(c)(3), then once Landlord receives a real property tax exemption for the Premises, the rent under this Lease shall be reduced by an amount equal to the difference between (i) the amount of real property taxes in effect on the date Landlord acquired fee title to the Premises and (ii) the amount of the reduction in real property taxes as a result of obtaining the tax exemption (and Tenant's rate of payment under its Service Provider Agreement with RCOC shall be reduced by the same amount).

10.3 Change of Rent Due to Changes in Operating, Maintenance and/or Repair Costs. At Landlord's request to RCOC, such parties shall meet (but not more often than every five years) to discuss whether to increase the rent to the extent Landlord's net operating, maintenance and/or repair costs have increased during such previous five-year period (after taking into account any additional funds Landlord has received from RCOC, Tenant or any third party during such time period to compensate Landlord for any changes in such costs). As a result of such meeting, the parties may mutually agree to increase the rent to a new fixed monthly amount to reasonably account for such net cost increases (and, in such event, Tenant's rate of payment under its Service Provider Agreement with RCOC shall be automatically increased by the same amount); *provided, however,* (i) RCOC's may consent or withhold its consent to any increase in rent at RCOC's sole and absolute discretion and (ii) RCOC may condition its agreement to increase the rent on the California Department of Developmental Services' approval of such rent increase.

11. Conveyance by Landlord. If Landlord or any successor owner of Landlord's rights in and title to the Premises shall convey the Premises, the transferee(s) shall assume in writing, for the express benefit of RCOC, all obligations and liabilities of Landlord hereunder arising or accruing from and after the date of such conveyance or transfer, including all obligations of Landlord under the Restrictive Covenant encumbering the Premises in favor of RCOC and the California Department of Developmental Services.

12. Notices. All notices to RCOC under this Lease shall be addressed as follows (although RCOC may, by notice to the other parties from time to time, specify a different address for notice purposes):

Regional Center of Orange County  
Attention: Executive Director  
1525 North Tustin Avenue  
Santa Ana, CA 92705  
Phone: (714) 796-5100

Executed at \_\_\_\_\_, California as of the date first written above.

**“Landlord”**

**BRILLIANT CORNERS,**  
a California nonprofit corporation

By \_\_\_\_\_  
William F. Pickel, CEO

**“Tenant”**

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**AGREEMENT**  
**BY AND BETWEEN**  
**REGIONAL CENTER OF ORANGE COUNTY**  
**AND**  
**BRILLIANT CORNERS**  
**FOR DEVELOPMENT OF HOUSING**  
**RCOC CRDP PROJECT NO. 2021-4**

This **AGREEMENT** (“Agreement”) is entered into and effective this \_\_\_\_ day of June, 2021 (“Date of Agreement”), by and between the **REGIONAL CENTER OF ORANGE COUNTY**, a California non-profit corporation located at 1525 N. Tustin Avenue, Santa Ana, California, hereinafter referred to as "RCOC," and **BRILLIANT CORNERS**, a California non-profit corporation located at 1390 Market Street Suite 405, San Francisco, California, hereinafter referred to as "NPO". This Agreement shall be administered by the Associate Director of Housing for RCOC or his/her authorized designee (hereinafter referred to as the “Project Manager”).

**RECITALS**

A. WHEREAS, the Department of Developmental Services (“DDS”) has allocated Community Resource Development Plan Start-Up funds (“CRDP Funds”) to RCOC for the purpose of developing permanent housing in the community that will be used exclusively, in perpetuity, by persons served by a regional center (“Persons Served”); and

B. WHEREAS, DDS Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan for Fiscal Year 2017-2018, as amended, are applicable to the use of CRDP funds and allow regional centers to contract with non-profit organizations to acquire property and/or modify existing housing to meet the unique needs of Persons Served; and

C. WHEREAS, NPO desires to acquire and renovate property to be used for the development of an Enhanced Behavioral Supports Home (“EBSH”) to serve regional center Persons Served; and

D. WHEREAS, RCOC and NPO have entered into a separate property acquisition agreement (“Acquisition Agreement”) under which RCOC will provide NPO with start-up grant funding in the amount of Three Hundred Fifty Thousand Dollars (\$350,000) to acquire property to be leased to a third party service provider to operate an EBSH (“Property”); and

E. WHEREAS, DDS has approved the expenditure of additional CRDP Funds for RCOC to contract with NPO to renovate the Property;

NOW, THEREFORE, based on the Recitals, and in consideration of the covenants, conditions and representations contained in this Agreement, RCOC and NPO agree as follows:

1. **SCOPE OF WORK.** NPO shall renovate the Property to be leased to a third-party service provider vendored with RCOC ("Service Provider") and used in perpetuity as an EBSH, in accordance with the terms of this Agreement and as set forth in the Scope of Work attached hereto as Exhibit "A" and incorporated herein by reference. For purposes of this Agreement "in perpetuity" shall mean a ninety-nine (99) year term.

2. **HOUSING GUIDELINES.** The provisions of the "Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan," as amended, including Appendices "A" through "O," issued by DDS for Fiscal Year 2017-2018 and attached hereto as Exhibit "B" and incorporated herein by reference, ("CPP Guidelines") shall apply to this Agreement. In the event of any inconsistencies between the CPP Guidelines and this Agreement, the CPP Guidelines shall control.

3. **ALTERATION OF TERMS.** This Agreement, together with the Scope of Work, Exhibit "A", the CPP Guidelines, Exhibit "B", the Certificate of Acceptance, Exhibit "C", and the Addendum to Lease, Exhibit "D", that are attached to this Agreement and fully incorporated by this reference (together, "Exhibits"), express all understanding of the parties with respect to the subject matter of this Agreement, and shall constitute the total Agreement between the parties, except as otherwise expressly provided in this Section 3. No amendment, addition to, or alteration of, the terms of this Agreement, whether written or oral, shall be valid unless the amendment is made in writing and formally approved and executed by both parties, except as provided in this Section 3 in this Agreement.

a. Project Manager Modification Authority. Notwithstanding anything to the contrary and provided any modifications do not alter the overall goals and basic purpose of the Agreement, and provided these modifications do not increase RCOC's Maximum Payment Obligation during the term of the Agreement, Project Manager has the authority to, with the agreement of NPO, make modification(s) to the activities, tasks, deliverables, and/or performance timeframes specified in this Agreement.

4. **STATUS OF NPO.** NPO will act as an independent contractor and is not an employee, officer, agent, partner, or joint venture of RCOC by virtue of this Agreement. NPO agrees that its workers performing services under this Agreement shall be either (1) employees of NPO, or (2) shall meet all of the following three requirements to qualify as independent contractors: (a) be free from control and direction of NPO; (b) perform work that is outside the usual course of NPO's business; and (c) be customarily engaged in an independently established trade, occupation, or business of the same nature as the work the individual performs for NPO. NPO will defend, indemnify, and hold RCOC harmless from any claims, demand, liabilities, costs, and expenses arising from NPO's misclassification of workers providing services as independent contractors under this Agreement.

5. **DELEGATION AND ASSIGNMENT.** NPO shall not delegate or assign or otherwise transfer its duties, nor assign its rights under this Agreement, either in whole or in part, without

the prior written consent of Project Manager. The request must be in writing with a full explanation for the request. Any consent granted by Project Manager may be conditioned upon and subject to certain actions by NPO as determined by Project Manager. Any attempted assignment or delegation in derogation of this Section 5 shall be deemed void.

## 6. GENERAL INDEMNIFICATION.

a. NPO Indemnification of RCOC. NPO agrees that, except for the sole negligence of RCOC, NPO shall indemnify, defend, hold harmless RCOC, and its officers, agents, and employees from and against any and all liability, claims, losses and demands, damages to property or injuries to or death of any person or persons, including property of directors, officers, employees, or agents of RCOC, including defense costs (together, "Claims"), whether resulting from court action or otherwise, resulting from, related in any manner to, or arising out of the performance of this Agreement by NPO, its officers, employees, agents, and/or its subcontractors. NPO, at its own expense and risk, shall defend any action, legal proceeding, arbitration, or mediation proceeding that may be brought against the RCOC, its directors, officers, agents and employees on any such claim or demand, and shall pay and satisfy any settlement, or any judgment which may be rendered against RCOC and/or against any of RCOC's directors, officers, agents or employees for any injuries or damages arising therefrom. NPO'S obligation to indemnify, defend, and hold harmless RCOC shall survive the term of this Agreement.

i. Without limiting NPO's indemnification, it is agreed that NPO shall maintain in force at all times during the term of this Agreement, the policy or policies of insurance covering its operations and performance under this Agreement in the form and amounts set forth in Section 7, which insurance obligations shall apply independently of all indemnification provided under this Agreement.

ii. No officer or director, no committee member, no employee, and no agent of RCOC shall be personally liable to NPO, or any successor in interest, (or to any subcontractor) in the event of any default or breach by RCOC or for any amount that may become due to NPO or to its successor (or subcontractor) or for breach of any obligation or the terms of this Agreement.

b. Cooperation with Claims. Each party to this Agreement shall cooperate with another party to this Agreement in the defense of any action brought for conduct resulting under this Agreement and shall make available to said party any and all records in their respective possessions or control reasonably required by a party for use in contesting or defending liability.

7. **INSURANCE.** Without limiting NPO's liability for indemnification of RCOC as set forth in Section 6 above, NPO shall obtain and maintain in effect, during the term of this Agreement, the following insurance coverage and provisions:

a. Evidence of Coverage. Prior to commencement of any Work under this Agreement, NPO shall provide on an insurance industry approved form a Certificate of Insurance

certifying that coverage as required in this Paragraph 7 has been obtained and remains in force for the period required by this Agreement. In addition, NPO shall produce a certified copy of the policy or policies to RCOC upon request. Each policy shall meet the following requirements:

i. Additional Insured Endorsement. Except for Worker's Compensation and Professional Liability insurance, each policy shall include an endorsement evidencing that the policy also applies to RCOC and DDS, their officers, directors, agents, employees and volunteers, as additional insureds against loss or liability caused by or connected with NPO's performance or non-performance under this Agreement.

(1) Primary Insurance Endorsement. Each policy shall include an endorsement evidencing that the policy afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by DDS or RCOC, their officers, directors, agents, and employees shall be excess only and not contributing with insurance provided under this policy.

ii. Notice of Cancellation or Change of Coverage Endorsement. Each policy shall include an endorsement evidencing that the policy shall not be canceled or changed so as to no longer meet the specified RCOC insurance requirements without thirty (30) days prior written notice of the cancellation or change being delivered to Project Manager at the address shown on the Certificate of Insurance.

iii. Separation Clause Endorsement. Each policy shall include an endorsement evidencing that the policy provides coverage separately to each insured who is seeking coverage or against whom a Claim is made or a suit is brought, except with respect to the company's limit of liability.

iv. Termination of Insurance. If insurance is terminated for any reason, NPO agrees to purchase an extended reporting provision of at least two (2) years to report Claims arising from work performed, or any action or any inaction in connection with this Agreement.

v. Qualifying Insurers. All coverages shall be issued by insurance companies that must be:

(1) Rated A-:VII or better according to the current Best's Key Rating Guide/Property-Casualty/United States; or

(2) A company of equal financial stability that is approved by Project Manager or his/her designee; and

(3) Admitted in the State of California.

vi. Deductible Amounts in Standard Policy. Any policy deductible or self-insured retention on any insurance policy (except auto) which exceeds \$10,000 requires prior written approval of Project Manager or his/her designee. Any policy deductible or self-insured retention on automobile liability over \$5,000 requires prior written approval of Project Manager

or his/her designee. No approved deductible shall in any way limit liabilities assumed by NPO under this Agreement.

vii. Subcontractor Insurance Requirements. Should any of the Services under this Agreement be provided by a subcontractor, NPO shall require each subcontractor (of any tier) to provide the coverages specified in this Section 7, or NPO may insure any subcontractor under its own policies.

viii. Occurrence vs. Claims Based Insurance. All policies are required to be written on an occurrence basis.

b. Types of Insurance Policies/Coverage Required. NPO shall provide insurance through a policy or policies with the following types and coverage, subject to the requirements above.

i. Comprehensive General Liability Insurance. Comprehensive General Liability Insurance for bodily injury (including death) and property damage which is consistent with the DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B", and which provides not less than One Million Dollars (\$1,000,000) combined single limit (CSL) per occurrence and not less than Two Million Dollars (\$2,000,000) annual aggregate.

(1) The coverage shall include:

(a) Premises and Operations

(b) Contractual Liability expressly including liability assumed under this agreement, excepting the requirement does not apply for service contracts.

(c) Personal Injury Liability.

(d) Property damage.

ii. Comprehensive Automobile Liability Insurance. Comprehensive Automobile Liability Insurance for bodily injury (including death) and property damage which provides total limits of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence applicable to all owned, non-owned and hired vehicles/watercraft, One Million Dollars (\$1,000,000) annual aggregate.

iii. Workers' Compensation Insurance. Workers' Compensation Insurance shall be maintained. Statutory California Workers' Compensation coverage shall include a broad form all-states endorsement and waiver of subrogation.

iv. Employers' Liability Coverage. Employers' Liability Coverage of not less than One Million Dollars (\$1,000,000) per occurrence for all employees engaged in Work or operations under this Agreement.

v. Professional Liability. Professional liability/errors and omissions is required in an amount not less than One Million Dollars (\$1,000,000) per occurrence made and One Million Dollars (\$1,000,000) aggregate.

vi. Sexual Misconduct Liability. Sexual misconduct liability insurance in an amount equal to One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) aggregate.

vii. Property Hazard Insurance. Property hazard insurance consistent with the DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B", and in an amount equal to the replacement value of the Property. DDS shall be named as loss payee.

viii. Title Insurance. NPO shall procure lender's title insurance for the Property for DDS and owner's title insurance for the Property in accordance with the requirements set forth in Exhibit "B."

c. Duration of Insurance. NPO shall maintain all coverage and insurance for the entire term and for any extended period agreed upon within this Agreement.

d. Maintain Records re Insurance Coverage. NPO shall maintain records regarding all coverage and insurance for the term of this Agreement and for any extended period agreed upon within this Agreement.

e. Withhold Payment for Lack of Required Coverage. RCOC reserves the right to withhold payment of CRDP Funds in the event of material noncompliance with the applicable insurance requirements outlined in this Section 7.

f. Remedies for Failure to Provide or Maintain Required Insurance or Endorsements. In addition to any other remedies RCOC may have if NPO (or any subcontractor) fails to provide or maintain any insurance required by this Section 7 to the extent and within the time required by this Agreement, RCOC may, at its sole option:

i. Obtain the insurance and deduct and retain the amount of the premiums for the insurance from any monies due under this Agreement.

ii. Order NPO (and any subcontractor) to cease performance of the Work and/or withhold funding until NPO (or subcontractor) demonstrates compliance with the insurance requirements of this Agreement.

iii. Immediately and without further cause terminate this Agreement.

Exercise of any of the above remedies are in addition to any other remedies RCOC may have and are not the exclusive remedies for NPO's (or subcontractor's) failure to maintain or secure appropriate policies or endorsements. Nothing in this Agreement shall be construed as limiting in any way the extent to which NPO (or any subcontractor) may be held responsible for

payments of damages to persons or property resulting from NPO's (or any subcontractor's) performance under this Agreement.

g. Modification of Insurance Requirements. RCOC may modify the insurance requirements set forth above if at any time during the term of this Agreement RCOC determines, in its sole discretion, that additional coverage is necessary to protect RCOC's and DDS's interests.

8. **REPRESENTATIONS AND WARRANTIES OF NPO.** CONTRACTOR makes the following representations and warranties to RCOC. These representations and warranties are ongoing and NPO shall advise Project Manager in writing if there is any change pertaining to any matters set forth or referenced in the following subparagraphs.

a. No Conflict. To the best of NPO's knowledge, NPO's negotiation, consideration and action on this Agreement and NPO's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which NPO is a party or by which it is bound.

i. NPO agrees that no officer, employee, agent or assignee of RCOC having direct or indirect control of any monies allocated by RCOC, inclusive of the subject funds, shall serve as an officer or director of NPO.

ii. Further, NPO shall complete the Conflict of Interest Statement for CPP Funding, attached hereto as Appendix "J" to Exhibit "B", and submit said Statement to RCOC within five (5) days of the Date of Agreement.

b. No Bankruptcy. NPO is not the subject of any current or threatened bankruptcy.

c. No Pending Legal Proceedings. NPO is not the subject of a current or threatened litigation that would or may materially affect NPO's performance under this Agreement.

d. Licenses and Standards; Compliance with Laws. NPO warrants that it has all necessary licenses and permits required by the laws of the United States, State of California, County of Orange, and any local jurisdiction in which it may do business and/or provide services, and agrees to maintain these licenses and permits in effect for the duration of this Agreement. Further, NPO shall only contract with subcontractors that are duly licensed, insured, and qualified to provide Work under this Agreement, as applicable. Further, NPO warrants that its employees, agents, contractors, and subcontractors shall conduct themselves in compliance with the laws and licensure requirements including, without limitation, compliance with laws applicable to nondiscrimination, sexual harassment, and ethical behavior.

i. Failure to Obtain or Maintain Licenses. NPO shall notify Project Manager immediately and in writing of its inability to obtain or maintain, irrespective of the pendency of any appeal, any required permits, licenses, approvals, certificates, waivers and exemptions. The inability shall be cause for termination of this Agreement by RCOC or Project Manager.

e. NPO Certification. NPO certifies that no person or entity has been employed or retained by it to solicit or secure this Agreement for a commission, percentage, brokerage fee, or contingent fee.

9. **MAXIMUM PAYMENT OBLIGATION.** The “Maximum Payment Obligation” of RCOC to NPO under this Agreement shall be Three Hundred Fifty Thousand Dollars (\$350,000) (“CRDP Funds”).

a. The Maximum Payment Obligation shall apply to all Work. It is anticipated that the costs associated with completion of the Work may exceed the Maximum Payment Obligation, and NPO shall be solely responsible for the payment of said additional costs. If it is determined that the costs associated with the Work is less than \$350,000, the Maximum Payment Obligation shall be deemed to be that lower amount. In the event that the Maximum Payment Obligation is less than \$350,000, RCOC shall retain the remaining CRDP Funds to be returned to DDS.

b. Funding Contingent Upon Appropriation. Notwithstanding anything in this Agreement to the contrary, RCOC’s obligation to remit funds to NPO under this Agreement or to any Service Provider is conditioned on RCOC’s receipt of adequate funds from DDS to pay for such costs (the “Funding Contingency”). RCOC shall have the right and option to terminate this Agreement on 30 days’ notice to NPO without liability, and such termination shall be deemed a failure of the Funding Contingency if (1) RCOC does not receive the funds necessary to retain NPO’s services hereunder or a Service Provider’s services at the Property; or (2) RCOC receives funds for NPO under this Agreement or a Service Provider’s services but RCOC determines that such funds are inadequate to pay for all of the vendor services and other expenses which RCOC expects to incur in such fiscal year relating to the Property. If there is a failure of the Funding Contingency, then (1) RCOC shall have no liability to pay funds to NPO under this Agreement or any Service Provider (other than funds for services previously validly performed by NPO and for which RCOC has received funding) or to furnish any other consideration under this Agreement; and (2) neither party shall be obligated to further perform any provisions of this Agreement (other than those obligations intended to survive termination of this Agreement). In the event RCOC exercises the Funding Contingency, RCOC agrees to use best efforts to negotiate a workout for the Property.

10. **RENOVATION WORK.**

a. Development/Improvements. NPO may not make any improvements, alterations, additions or changes (collectively, the "Improvements") to the Property without first procuring the prior written consent of RCOC, which consent shall be requested by NPO prior to the commencement of the Work, and which consent shall not be unreasonably withheld by RCOC; provided, however, it shall be deemed reasonable for RCOC to withhold its consent to any Improvements which adversely affect (i) the structural portions or the systems or equipment of the Property, (ii) the exterior appearance of the Property or (iii) the ability of RCOC's Persons Served to use the Property. Notwithstanding the foregoing, NPO shall be permitted to make

Improvements without RCOC's prior consent, to the extent that such Improvements are (a) decorative only, or relate to the normal repair and maintenance of the Property (e.g., the installation of carpeting, the painting of the walls of the Property, or the basic plumbing, mechanical, HVAC and electrical work); or (b) reasonably related to the existence of an emergency to the extent necessary to maintain the value of the Property and/or the ability to safely permit the continued occupancy thereof by RCOC's Persons Served. Except to the extent permitted by DDS' Letter of Conditional Approval (as defined by the CPP Guidelines), RCOC shall have no obligation to pay for the cost of any of the Improvements performed at the Property.

b. Deliverables. RCOC's obligation to disburse CRDP Funds relating to renovation work at the Property shall be conditioned on NPO's delivery to RCOC, and RCOC's approval of, all of the following: (i) overall construction and rehabilitation budget for the Property (including a budget for the Improvements and a budget for the appliances and fixtures NPO intends to purchase for the Property); (ii) construction drawings and specifications for the proposed Improvements; (iii) architect's contract, if applicable; (iv) structural engineer's contract, if applicable; and (v) construction contract between NPO and its general contractor, including contractor's fixed price or time & materials bid to perform the renovation work on the Property. When the renovation work is complete, NPO shall provide evidence that the applicable jurisdiction has issued a final Certificate of Occupancy or its equivalent for the Property.

c. Manner of Construction; Terms of Construction Contract. RCOC may impose, as a condition of its consent to any and all Improvements or repairs of the Property or about the Property, such requirements as RCOC in its reasonable discretion may deem desirable, including, but not limited to, the requirement that NPO utilize for such purposes only contractors, subcontractors, materials, mechanics and materialmen mutually approved by the parties. RCOC shall have the right to review and approve the terms and conditions of the construction contract between NPO and its general contractor for all Improvements. Further, each construction contract must contain the following provisions: (i) the contractor shall only be entitled to payments based upon performance; (ii) the contractor must provide appropriate conditional and unconditional mechanics lien releases, in accordance with standard construction industry practice, as a condition to its receipt of each installment payment and final payment and (iii) NPO will withhold a 10 percent retention, which it shall only disburse to the contractor after the renovation work is completed, a Certificate of Occupancy (or its equivalent) is provided by the local agency (e.g., building inspector), RCOC has completed its final walk through, and NPO and the Service Provider have signed the Certificate of Acceptance attached hereto as Exhibit "C" and incorporated herein by reference. NPO shall also include the following statement in each construction contract between NPO and the general contractor: "*Regional Center of Orange County is a third party beneficiary of all of Brilliant Corners' rights under this Contract.*"

d. Construction Insurance. Prior to the commencement of Improvements at each Property, NPO shall provide RCOC with evidence that adequate liability insurance from the contractor and adequate casualty insurance (such as "Builder's All Risk" insurance or another form of casualty insurance reasonably acceptable to RCOC) is obtained/maintained in an amount approved by RCOC (which shall in no event be less than the amount actually carried by NPO)

covering the construction of such Improvements, it being understood and agreed that all of such Improvements shall be adequately insured by NPO immediately upon completion thereof.

e. Compliance With Laws. NPO shall cause all Improvements and repairs to be performed in a good and workmanlike manner, in conformance with any and all applicable federal, state, county or municipal laws, rules and regulations and pursuant to a valid building permit, issued by the city or county in which the applicable Property is located, all in conformance with any commercially reasonable construction rules and regulations RCOC may promulgate from time to time.

f. Payment and Performance Bond; Alternative Performance Assurances. RCOC's disbursement of CRDP Funds for the Improvements shall be conditioned on either of the following, at RCOC's election: (i) NPO's delivery to RCOC of a Payment and Performance Bond from NPO's contractor in favor of NPO, in an amount equal to 100% of the expected costs of construction; or (ii) DDS' approval of, and NPO's compliance with, the "alternative performance assurances" described in Section IV(N) of the CPP Guidelines.

g. Timely Development. NPO is responsible and accountable for timely developing the Property so that it can be occupied by Persons Served pursuant to the terms of, and by the deadlines contained within, the CPP Guidelines. RCOC shall be responsible for timely identifying and selecting the Service Provider as well as the Persons Served for each Property, so that by the time the renovation work is completed, the Service Provider is prepared to occupy the Property and provide residential care services to Persons Served.

h. Disbursements; Procedures. RCOC shall disburse CRDP Funds for renovation work to NPO for the Property in accordance with the procedures in Section 11 below.

i. Monitoring of Plans and Work. RCOC may, in RCOC's sole and absolute discretion, monitor NPO's preparation of the plans and the contractor's performance of the renovation work, and NPO shall promptly respond to all inquiries, and cooperate, coordinate, and otherwise comply with RCOC's requests.

j. Monthly Updates. On a monthly basis during the installation of the Improvements, and at all times upon RCOC's request, NPO shall provide RCOC with an update as to the progress of its work.

k. NPO' Delivery of Proof of Expenditures; NPO' Return of Unused Funds. Upon NPO' completion of the Improvements at a Property, NPO shall provide to RCOC invoices and other evidences of NPO' costs for such work, including evidence of payment to third parties, and NPO hereby authorizes RCOC to audit NPO' books and records for such purpose. To the extent NPO receives funds before it incurs renovation costs, it is possible that funds disbursed by RCOC may exceed the total amount of funds necessary to complete the renovation work. If that occurs, NPO shall promptly return the excess funds to RCOC.

l. RCOC's Option to Deliver CRDP Funds to Third Parties. If a third party has recorded a lien or threatened to record a lien against a Property as a result of nonpayment for

their services, equipment or materials, or if RCOC otherwise reasonably believes that NPO may be in breach of contract with any third party, then RCOC may elect to disburse certain CRDP Funds directly to such third parties for NPO' benefit, rather than to NPO directly.

m. Purchased Furniture, Fixtures and Equipment. Any item of furniture, trade fixture, equipment or other personal property costing over two thousand dollars (\$2,000) that NPO purchases with funds supplied under this Agreement, and which has a useful life in excess of two years, shall be the property of the State of California. Upon termination of this Agreement for any reason, such items are subject to reclamation by the State.

n. Additional Requirements and Agreements. RCOC reserves the right to require NPO to enter into further agreements with RCOC to address the costs and procedures relating to NPO's renovation of the Property.

11. **DISBURSEMENT OF RENOVATION FUNDS.** RCOC shall disburse renovation funds to NPO for the Property in installments, as milestones are satisfied, as provided below, but never more than the Maximum Payment Obligation. RCOC shall remit each payment to NPO within thirty (30) days after RCOC receives a properly documented invoice from NPO, along with all applicable backup documentation as described below, as determined by RCOC. Any funds disbursed by RCOC in advance shall be subject to true up once NPO has incurred such expenses.

a. First Milestone: NPO's submission of documentation reasonably acceptable to RCOC that NPO has closed escrow on the Property and is the owner of fee title to the Property.

i. Amount of funds Payable to NPO upon its Completion of First Milestone: Thirty Percent (30%) of the Maximum Payment Obligation.

b. Second Milestone: NPO's submittal to RCOC, and RCOC's approval, of all of the following for the Property: (i) overall construction and rehabilitation budget (including a budget for the Improvements and a budget for the appliances and fixtures NPO intends to purchase for the Property); (ii) construction drawings and specifications for the proposed Improvements; (iii) architect's contract, if applicable; (iv) structural engineer's contract, if applicable; and (v) construction contract between NPO and its general contractor, including contractor's fixed price or time & materials bid to perform its work and install the Improvements.

i. Amount of Funds Payable to NPO upon its Completion of Second Milestone: Thirty Percent (30%) of the Maximum Payment Obligation.

c. Third Milestone: NPO's written certification to RCOC that the city or county inspector has approved the rough framing, electrical and plumbing work at the Property, along with NPO's delivery to RCOC of evidence of such approval (such as a signed inspection card from the inspector) (collectively, the "Inspector's Approval"), or RCOC's receipt and approval

of any alternative written certification from NPO that RCOC concludes is functionally equivalent to the Inspector's Approval.

i. Amount of Funds Payable to NPO upon its Completion of Third Milestone: Thirty Percent (30%) of the Maximum Payment Obligation.

d. Fourth Milestone: RCOC's satisfaction that all of the Improvements have been properly completed and that the Property is physically ready for occupancy by Persons Served, after RCOC's completion of a walk-through of the Property. NPO's written certification to RCOC that the city or county inspector has approved the final completion of the Property, along with NPO's delivery to RCOC of evidence of such approval (such as a signed inspection card from the inspector) (collectively, the "Inspector's Approval"), as well as full execution of the Certificate of Acceptance attached hereto as Exhibit "C" shall constitute NPO's satisfaction of this milestone.

i. Amount of Funds Payable to NPO upon its Completion of Fourth Milestone: Ten Percent (10%) of the Maximum Payment Obligation.

e. Deadline to Expend Funds. Notwithstanding anything in this Agreement to the contrary, the deadline for RCOC to disburse renovation funds to NPO is June 30, 2023, and NPO must therefore complete all renovations prior to such date, unless directed otherwise in writing by RCOC. All of RCOC's disbursements are conditioned upon NPO's compliance with the project milestones for the Property by such deadline; provided, however, the deadline for NPO to satisfy the Second Milestone for the Property shall be the earlier of the above deadline date or the 90<sup>th</sup> day after NPO purchases the Property.

11. **CRDP FUND RECOUPMENT**. As a condition of receiving funding under this Agreement, NPO is required to renovate and lease the Property to a third-party Service Provider to be used in perpetuity as an EBSH for regional center Persons Served, as set forth in this Agreement. This ninety-nine (99) year term shall run concurrently with the ninety-nine (99) year term required pursuant to Section 10 of the Acquisition Agreement. In addition, NPO is required to complete any and all requirements, improvements, work or activities to ensure that the Property meets all statutory and regulatory requirements to be utilized as an EBSH. If for any reason NPO ceases to lease the Property during the 99 year term as required under the terms of this Agreement, or the Property is not eligible for use as an EBSH, the funds provided under this Agreement shall immediately become due and payable as provided below. A temporary cessation of use of the Property by regional center Persons Served due to casualty or temporary condemnation not caused by the NPO shall not require the NPO to repay CRDP Funds.

a. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time up to twenty (20) years after the Property is acquired, then NPO shall immediately repay RCOC one hundred percent (100%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

b. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than twenty (20) years but less than forty (40) years after the Property is acquired, then NPO shall immediately repay RCOC eighty percent (80%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

c. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than forty (40) years but less than sixty (60) years after the Property is acquired, then NPO shall immediately repay RCOC sixty percent (60%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

d. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than sixty (60) years but less than eighty (80) years after the Property is acquired, then NPO shall immediately repay RCOC forty percent (40%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

e. If NPO ceases to lease the Property for use as an EBSH or if the Property is determined not to meet all statutory and regulatory requirements to be utilized as an EBSH in accordance with the terms of this Agreement at any time which is more than eighty (80) years but less than ninety-nine (99) years after the Property is acquired, then NPO shall immediately repay RCOC twenty percent (20%) of all CRDP Funds paid by RCOC pursuant to this Agreement.

12. **SECURITY.** The following documents shall be recorded on the Property as set forth in the Acquisition Agreement:

- a. DDS Restrictive Covenant, attached hereto as Appendix "A" to Exhibit "B";
- b. DDS Deed of Trust, attached hereto as Appendix "D" to Exhibit "B";
- c. DDS Promissory Note, attached hereto as Appendix "C" to Exhibit "B";
- d. DDS Request for Notice of Default and/or Sale, attached hereto as Appendix "E" to Exhibit "B"; and
- e. Regional Center's Request for Notice of Default and/or Sale, attached hereto as Appendix "F" to Exhibit "B."

The recorded documents set forth above in this Section 12 shall include the total amount of CRDP Funds provided to NPO pursuant to both the Acquisition Agreement and this Agreement. Changes to the documents set forth in subsections (a) through (e) above and any future encumbrances against the Property are prohibited without the prior written consent of DDS. The documents in subsections (a) through (e) above may be recorded subordinate only to a DDS approved Senior Lender Deed of Trust.

13. **LEASE.** RCOC and NPO agree as follows with respect to leasing the Property:

a. Selection of Tenant. NPO acknowledges that, despite its position as landlord under the Lease, NPO has no right to select the master tenant. Rather, RCOC shall have the sole right to select the initial tenant and all replacement tenants for the Property; provided, however, each master tenant must be a service provider vendored by RCOC. Similarly, RCOC shall have the sole right to cause one master tenant to assign its interest under the Lease to a new master tenant.

b. The Lease Form; the Lease Addendum. NPO may use any form of lease it chooses, provided that RCOC approves such form in writing in advance. The Lease shall include a Lease Addendum that is identical to the Lease Addendum template attached hereto as Exhibit "D". All references in this Agreement to the "Lease" include the Lease Addendum. RCOC may require changes to the form of the Lease if so requested or required by DDS.

c. Specific Lease Restrictions. NPO shall not do any of the following without first obtaining RCOC's express written consent, which shall not be unreasonably withheld: (1) lease, sublease or license rights in the Property to any party other than the applicable Service Provider under the Lease; (2) materially modify or amend any Lease (including but not limited to the amount of the rent) or terminate any Lease; or (3) unreasonably hinder a Service Provider in providing services to the Persons Served residing in the Property.

d. Notification of Service Provider Delinquencies. As soon as NPO becomes aware of any delinquent rent payments under the Lease, or any other monetary or non-monetary default by a Service Provider under the Lease, NPO shall promptly notify RCOC of such fact in writing.

e. RCOC's Reimbursement to Service Provider. Subject to (1) NPO's compliance with the terms of this Agreement and (2) the Service Provider's compliance with the terms of its service provider agreement with RCOC for the Property (the "Service Provider Agreement"), RCOC will pay the Service Provider the amounts to which the Service Provider is entitled to receive under its Service Provider Agreement, including amounts sufficient satisfy the Debt Service (defined below).

i. Amount of Debt Service; Determination of Agreed Rent. The term "Debt Service" means NPO's total monthly repayment obligation for a senior lender loan ("Loan") encumbering the Property. With respect to the Property that NPO intends to purchase, the parties shall comply with the following procedure: (1) as soon as practicable before NPO purchases the Property, NPO shall inform RCOC of the expected Debt Service for such Property as of the expected commencement date of the Lease for the Property, as well as other continuing costs of Property ownership (including but not limited to property insurance, property management fees, property taxes [if applicable], the Reserve (defined in Section 13(i) below) and the cost of maintenance and repairs); (2) RCOC shall then have the right, in its sole and absolute discretion, to decide whether to approve the Debt Service and such other expected costs of Property ownership, or any lesser sum; the amount so approved by RCOC is the "Agreed Rent"; (3) NPO

shall have the right to approve RCOC's determination of the Agreed Rent; and (4) if NPO informs RCOC in writing that NPO does not agree with the amount of the Agreed Rent within 10 days after RCOC notifies NPO of the determination of the Agreed Rent, then such Property shall not be subject to this Agreement or entitled to any CRDP Funds.

ii. Payment of Agreed Rent. The Agreed Rent for the Property (1) shall become the monthly rent for such Property; and (2) shall be recognized by RCOC as a valid expense of the Service Provider as part of RCOC's calculation of the sums which the Service Provider shall be entitled to receive from RCOC under the Service Provider Agreement relating to such Property. Once the Service Provider's obligation to pay the Agreed Rent commences, the Agreed Rent shall not be abated or adjusted based on the occupancy level of the Residence at any time. The Agreed Rent shall remain a fixed amount even if the Loan has a variable interest rate or other features that cause the Debt Service to fluctuate, unless the parties expressly agree in writing that the Agreed Rent will fluctuate with the Debt Service during the Loan term.

(1) Reduction of Agreed Rent Upon Repayment of a Loan. Notwithstanding the provisions in Section 13(e)(ii) above, at such time(s) as the Loan to NPO has been repaid in full (without refinancing), the Agreed Rent for the applicable Property shall be reduced by an amount equal to the Debt Service previously owed (and, in such event, RCOC's payment to the Service Provider leasing the applicable Property shall be automatically reduced by the same amount).

(2) Reduction of Agreed Rent Tied to Reduction in Real Property Taxes for Tax Exempt Service Provider. Notwithstanding the provisions in Section 13(e)(ii) above, if the Service Provider or any successor Service Provider is a nonprofit entity under Internal Revenue Code section 501(c)(3), then once NPO receives the tax exemption described in Section 14 below, the Agreed Rent under the Lease shall be reduced by an amount equal to the difference between (i) the amount of real property taxes in effect on the date NPO acquired fee title to the applicable Property and (ii) the amount of the reduction in real property taxes as a result of obtaining the tax exemption (and, in such event, RCOC's payment to the Service Provider leasing the Property shall be automatically reduced by the same amount). Further, if the tax exemption is retroactive, NPO shall promptly remit to RCOC an amount equal to any tax refund payment NPO receives from the taxing authority. If the tax exemption is revoked, the Agreed Rent under the Lease shall be increased by a like amount (and, in such event, RCOC's payment to the Service Provider leasing the applicable Property shall be automatically increased by the same amount).

(3) Change of Agreed Rent Due to Changes in Operating, Maintenance and/or Repair Costs. Notwithstanding the provisions in Section 13(e)(ii), at NPO's request the parties shall meet (but not more often than every 12 months) to discuss whether to increase the Agreed Rent to the extent NPO's net operating, maintenance and/or repair costs have increased during such previous 12-month period (after taking into account any additional funds NPO has received from RCOC, the Service Provider or any third party during such time

period to compensate NPO for any changes in such costs). As a result of such meeting, the parties may mutually agree to increase the Agreed Rent to a new fixed monthly amount to reasonably account for such net cost increases; *provided, however*, (i) RCOC may consent or withhold its consent to any increase in Agreed Rent at RCOC's sole and absolute discretion; and (ii) RCOC may condition its agreement to increase the Agreed Rent on DDS's approval of such rent increase.

iii. Refinancing. If NPO refinances a Loan, the Agreed Rent for the Property shall remain its original fixed amount even if the amount of the Debt Service for the refinanced Loan is greater than, or less than, the Debt Service for the original Loan. If the refinanced Loan has a variable interest rate or other features that cause the Debt Service under the refinanced Loan to fluctuate, the Agreed Rent shall remain a fixed amount, unless the parties expressly agree a written agreement that the Agreed Rent will fluctuate with the Debt Service during the term of any refinanced Loan. Notwithstanding anything herein to the contrary, at any time the Debt Service for any Loan or refinanced Loan is reduced to below the original Debt Service, RCOC shall have the option to reduce the Agreed Rent to an amount determined by RCOC in its sole and absolute discretion; provided, however, such reduction of Agreed Rent shall not be more than the amount of the reduction between the original Debt Service and the new Debt Service. The parties acknowledge that DDS must consent to the refinancing of the Property.

f. NPO's Lease Obligations. At minimum, NPO shall be responsible for all of the following obligations under the Lease (at no additional cost to the Service Provider or RCOC, as such costs are built into the rent): (1) all expenses, costs and amounts of every kind and nature reasonably necessary or appropriate to manage the Property; (2) maintaining and repairing the residence on the Property ("Residence") (including but not limited to the roof, foundation, floor slab, structural components, landscaping and its mechanical, electrical and plumbing components) in good condition, order and repair; (3) the cost of any insurance which NPO determines to carry; (4) fees, charges and other costs, including consulting fees, legal fees and accounting fees, of all contractors engaged by NPO or otherwise reasonably incurred by NPO in connection with the management, renovation, improvement, maintenance and repair of each Residence; (5) wages, salaries and other compensation and benefits of all persons engaged in the management, maintenance or security of the Property, and employer's Social Security taxes, unemployment taxes or insurance, and any other taxes which may be levied on such wages, salaries, compensation and benefits; (6) real property taxes [if any] and assessments; and (7) to the extent applicable, the cost of annually filing the welfare tax abatement described in Section 14 below so that it does not lapse. Notwithstanding the foregoing, the cost of any repairs or replacements to the Residence resulting from the negligence or intentional misconduct of a Service Provider or any Person Served shall be the responsibility of the Service Provider.

g. Compliance with RCOC's Instructions. NPO agrees to promptly perform all acts and sign all documents relating to the Lease as RCOC may from time to time instruct. Thus, for example, if RCOC decides that a Lease should be amended in a manner that will not materially increase NPO's obligations or materially reduce its rights thereunder, or that a Lease amendment

or sublease should be consented to, or that the existing Service Provider tenant should assign its rights to a new Service Provider tenant, then NPO shall promptly take the necessary action to accomplish the same in accordance with RCOC's instructions.

h. Use by Service Provider. Once the initial Service Provider has leased a Property, RCOC shall be solely responsible for replacing the Service Provider during the Lease term, and RCOC shall pay an amount equal to the Agreed Rent when such Property is not leased during the term of this Agreement.

i. The Reserve Account.

i. From each payment of Agreed Rent with respect to the Property, NPO shall deposit the sum of \$500 per month per home (the "Reserve") into a segregated account in NPO's name (the "Reserve Account"). The purpose of the Reserve is to create a fund for repairs and replacements to the capital improvements at the Properties, including but not limited to the roof, foundation, and structural elements of the Residences thereon. The Parties agree that the proposed Reserve deposit may be adjusted by mutual agreement during the DDS escrow phase proposal or upon completion of renovations.

ii. The funds in the Reserve Account shall be segregated from NPO's operating account and other accounts. However, NPO may hold reserves for other homes in the Reserve Account, as long as (i) such homes are also occupied by RCOC's Persons Served, (ii) such homes are located in RCOC's catchment area (unless otherwise approved by RCOC in writing) and (iii) NPO's books and records at all times reflect the amount of the funds in the Reserve Account applicable to the Property. NPO shall not use the Reserve for any other property without first obtaining RCOC's written consent.

iii. NPO's release and application of funds from the Reserve Account shall be subject to monitoring by RCOC. NPO shall notify RCOC in writing each time NPO withdraws funds from the Reserve Account. Further, NPO shall not expend more than One Thousand Dollars (\$1,000) from the Reserve Account for any one repair at the Property without first obtaining RCOC's written approval, which shall not be unreasonably withheld.

iv. At any time during the term of the Lease, at RCOC's request and for reasonable cause, NPO shall increase or decrease the monthly amount of the Reserve, subject to (i) both parties' review of the Property's operating income and expenses to determine if such change is justified; and (ii) any lender reserve-for-replacement requirements.

v. At least once per year, and more often if requested by RCOC, NPO shall provide a Reserve Report to RCOC. The Report shall (i) estimate the remaining useful life of capital improvements at the Property, both individually and collectively, (ii) estimate the amount of funds reasonably needed to timely replace such capital improvements, (iii) state the total amount in the Reserve Account applicable to the Property and (iv) list all expenditures from the Reserve Account during the prior 12 month period applicable to the Property.

14. **PROPERTY TAX EXEMPTION.** In the event that the third-party service provider selected by RCOC is a 501(c)(3) non-profit organization, NPO shall file a property tax exemption application as early as possible after the NPO purchases the Property and has signed a lease with the third-party service provider, but no later than the first day the first regional center Person Served occupies the Property. If the Property is exempt (or intended to be exempt) from real property taxes, NPO shall (a) insure all assessments are timely paid; and (b) take all necessary actions within its control to insure the Property's tax exempt status is not lost. If the Property is not exempt from real property taxes, NPO shall insure all property taxes and assessments are timely paid.

15. **RIGHT OF ACCESS.** Without limiting any rights of access which RCOC and/or DDS may have irrespective of this Agreement, representatives of RCOC and/or DDS shall have a reasonable right of access to the Property for purposes of inspecting and evaluating the Property and any construction or other work being performed thereon. NPO shall cooperate with providing RCOC access and information as required for RCOC to complete all monitoring and reporting requirements, including the Community Placement Plan Housing Annual Report, attached hereto as Appendix "M" to Exhibit "B."

16. **MANAGEMENT AND MAINTENANCE.** NPO shall, at NPO's sole cost and expense (except as otherwise provided below), keep the Property (including, without limitation, the exterior walls, foundation, roof structure and membrane, and all improvements, fixtures, equipment, appliances, water lines, plumbing, plumbing fixtures, electrical, heating and air conditioning systems and furnishings therein), in good order, repair and condition at all times during the term of this Agreement. NPO shall maintain the Property in an aesthetically pleasing manner, and in a manner consistent with that which could be considered normal and customary for private residences (i.e., at a minimum, in material conformance with the standards of landscaping and appearance observed in the surrounding neighborhood). All such above-referenced items shall function at the Property for its intended purpose. In addition, NPO shall, at NPO's sole cost and expense, promptly and adequately repair all damage to the Property and replace or repair all damaged, broken, or worn fixtures and appurtenances, including any damage caused by ordinary wear and tear; provided however, that, at RCOC's option, or if NPO fails to make such repairs, RCOC may, but need not, make such repairs and replacements, and NPO shall pay RCOC the cost thereof. Each Property shall be subject to periodic inspections by RCOC. Notwithstanding the foregoing, to the extent NPO and RCOC agree that some or all of NPO's obligations hereunder are to be performed by a third-party entity or individual (such as pursuant to a management agreement), NPO shall be responsible for ensuring that any such third-party contractor shall comply with the requirements imposed on NPO pursuant to the terms of this Agreement, and in any event NPO shall continue to remain ultimately responsible to RCOC for the performance of all of the obligations set forth in this Agreement.

17. **LIENS AND STOP NOTICES.** If a claim of a lien or stop notice is given or recorded affecting the Property, NPO shall within thirty (30) days of such recording or service:

- a. Pay or discharge the same; or

b. Affect the release thereof by recording and delivering to RCOC a surety bond in sufficient form and amount, or otherwise; or

c. Provide RCOC with other assurance that it deems, in RCOC's sole discretion, to be satisfactory for the payment of such lien or bonded stop notice and for the full and continuous protection of RCOC and DDS from the effect of such lien or bonded stop notice.

**17. RECORDS.**

a. Maintain Complete Books and Records. In addition to any statutory and regulatory requirements regarding recordkeeping, NPO shall keep books and records as shall be necessary relating to the Work so as to enable RCOC to evaluate performance under this Agreement. Books and records pertaining to costs shall be kept and prepared in accordance with Generally Accepted Accounting Principles (GAAP). Project Manager, RCOC and their staff, legal counsel, and other RCOC consultants (as approved by Project Manager) shall have full and free access to all books and records of NPO (and any subcontractor), pertinent to this Agreement, at all reasonable times, including the right to inspect, copy, audit and make records and transcripts from the records.

i. NPO shall prepare and maintain accurate and complete financial records of its business operations, and in particular records related to the Work, in accordance with all statutory and regulatory requirements.

b. Inspection and Access to Records. Without limiting any rights to access which RCOC may have irrespective of this Agreement, Project Manager and any authorized RCOC representatives shall have access to NPO's records for the purpose of monitoring performance and provision of the Work pursuant to this Agreement. NPO shall make available its records within the borders of Orange County within ten (10) days after receipt of written demand by Project Manager or his/her designee. In the event NPO does not make available its records within the borders of Orange County, NPO agrees to pay all necessary and reasonable direct and indirect expenses incurred by RCOC or RCOC's designee necessary to obtain NPO's records.

c. Reports. Upon request by the Project Manager, NPO shall submit a written progress report addressing the Work performed, progress toward the objective of the Agreement, difficulties encountered during the reporting period, and any remedial/corrective action taken.

**18. ZERO TOLERANCE POLICY.** NPO shall ensure all of its employees are fully informed upon hire, and annually thereafter, about RCOC's Zero Tolerance Policy Regarding Abuse or Neglect of Those We Serve, pursuant to the Elder Abuse and Dependent Adult Civil Protection Act (California WIC section 15600-15675), and Child Abuse and Neglect Reporting Act (California Penal Code sections 11164-11174.3). Such policy is posted on RCOC's website. Any NPO employee or agent who fails to report Person Served abuse or neglect may be subject to penalties defined in law (WIC, section 15630(h)). In addition, upon becoming aware of a reportable incident or allegation of abuse or neglect of a Person Served, NPO shall take immediate action to protect the health and safety of the involved Person Served and all other

Persons Served. NPO shall ensure its staff has knowledge of the signs of abuse and neglect, the process for reporting suspected abuse or neglect, and the consequences of failing to follow the law or adhere to RCOC's Zero Tolerance Policy. NPO's failure to comply with the policy and the abuse/neglect reporting laws is considered a material breach of this Agreement.

**19. NOTICES.**

a. Method and Form of Notice. Unless otherwise specified, all formal notices, claims, correspondence, or reports shall be addressed as follows:

**RCOC:** Regional Center of Orange County  
1525 N. Tustin Avenue  
Santa Ana, CA 92705  
Attn: Jack Stanton

**NPO:** Brilliant Corners  
1360 Mission St., Suite 300  
San Francisco CA 94103  
Attn: William F. Pickel, CEO

All notices shall be deemed effective when in writing and personally delivered or deposited in the United States mail, express, priority or first class, postage prepaid and addressed as above. Any notices addressed in any other fashion shall be deemed not given. Project Manager and NPO may mutually agree in writing to change the addresses to which notices are sent.

b. Advisory Notices Required. NPO shall immediately notify RCOC, in writing, whenever NPO has knowledge that there is or may be a delay in the timely performance of this Agreement. NPO shall include all relevant information with respect to the actual or potential delay.

**20. TERM AND TERMINATION.**

a. Term of Agreement. The term of this Agreement shall commence on Date of the Agreement provided above and shall terminate two (2) years therefrom, unless earlier terminated pursuant to the provisions of this Section 20 of this Agreement.

b. Grounds for Immediate Termination. RCOC may immediately terminate this Agreement in any of the following circumstances:

i. In the event RCOC has reasonable grounds to believe that NPO has offered or given any gratuity to any officer or employee of RCOC that would tend to influence that person's decision regarding any aspect of this Agreement.

ii. In the event an enforcement action, such as a vendorization termination, is taken against NPO which frustrates the purposes of this Agreement. In the event of such termination, NPO shall repay to RCOC all funds provided pursuant to this Agreement.

c. Termination for Cause Due to Default of NPO. RCOC reserves the express right to terminate this Agreement for cause due to the default (as defined in Section 21) of NPO in its performance of obligations under this Agreement, provided that RCOC shall first provide NPO with written notice of any such default and, if such default is susceptible to cure, provide NPO with thirty (30) calendar days in which to cure such default to RCOC's satisfaction (in which event such notice of termination shall be deemed rescinded, and this Agreement shall remain in full force and effect in accordance with its terms). If NPO fails to cure the default within the thirty (30) day period, RCOC shall be entitled to terminate the Agreement for cause by providing NPO written notice thereof. In the event this Agreement is terminated pursuant to this subsection, NPO shall immediately repay RCOC all funds provided pursuant to this Agreement.

21. **DEFAULT.** Failure by NPO to perform and/or comply with any provision, covenant, or condition of this Agreement shall be a default of this Agreement. In the event of default RCOC may avail itself of any remedies available at law, in equity, or otherwise specified in this Agreement (including immediate termination for cause as set forth in Section 20(c) above).

22. **COUNTERPARTS.** This agreement may be executed in several counterparts, all of which shall constitute but one and the same instrument. Faxed and/or electronically scanned signatures shall have the same force and effect as an original signature.

23. **DISPOSAL POLICY.** NPO shall develop a written policy on the disposal of any existing fixtures and major appliances that are included in the Property's purchase. The disposal policy shall be provided to RCOC prior to the commencement of any work on the Property.

24. **GENERAL TERMS AND CONDITIONS.**

a. Compliance with Laws. NPO shall provide all Work in accordance with all applicable federal and state laws, statutes and regulations and local ordinances and resolutions. NPO shall comply with all laws, rules or regulations applicable to the Scope of Work and provision of Work, as any may now exist or as changed or added after the Date of Agreement.

b. Familiarity with Work. By executing this Agreement and prior to performing or providing any Work under this Agreement, NPO warrants and shall be satisfied that (a) it has thoroughly investigated and considered the Work, (b) it has carefully considered how the Work should be performed, will be implemented, and will be completed, and (c) it fully understands the facilities, difficulties, and restrictions, attending carrying out the performance obligations of this Agreement.

c. Care of Work. NPO shall adopt reasonable methods during the term of this Agreement to furnish continuous protection to the Property, facilities, equipment, and persons

providing the Work, and to the work product, records, and other papers to prevent losses or damages. NPO shall be responsible for all losses or damages, to persons or property (including real property, personal property, both tangible and intangible), except the losses or damages as may be caused by RCOC's sole negligence. The performance of Work by NPO shall not relieve NPO from any obligation to correct any incomplete, inaccurate, or defective work or service at no further cost to RCOC, when the inaccuracies are due to the negligence, action, or inaction of NPO.

d. Severability. If a court of competent jurisdiction declares any provision of this Agreement or its application to any person or circumstances to be invalid or if any provision of this Agreement contravenes any federal, state, or county statute, ordinance, or regulation, the remaining provisions of this Agreement or its application shall remain valid, and the remaining provisions of this Agreement shall remain in full force and effect, and to that extent the provisions of this Agreement are severable.

e. California Law. This Agreement shall be construed and interpreted both as to validity and to performance in accordance with the laws of the State of California. Legal actions concerning any default, dispute, interpretation, declaration of rights, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in the county, and NPO covenants and agrees to submit to the personal jurisdiction of the court in the event of any action.

f. Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting party on any default shall impair any right or remedy or be construed as a waiver. One party's consent or approval of any act by the other party requiring the other party's consent or approval shall not be deemed to waive or render unnecessary the party's consent to or approval of any subsequent act of the party. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

g. Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of the rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

h. Covenant Against Discrimination. In the performance of this Agreement, NPO shall not engage in, nor permit any employee or agent to engage in discrimination in employment of persons or provision of Services or assistance, nor exclude any person from participation in, nor deny any person the benefits of, nor or subject any person to discrimination under any program or activity funded in whole or in part with RCOC funds on the grounds of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, gender or sexual orientation, except as permitted by applicable provisions of Federal and State law. NPO

shall comply with Title II of the Americans with Disabilities Act, (42 U.S.C. §12101, *et. seq.*) as it relates to public accommodations.

i. Legal Action. In addition to any other rights or remedies, either party may take legal action, at law or at equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

j. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the non-prevailing party.

k. Waiver of Jury Trial. Both RCOC and NPO agree and acknowledge that each is aware of and has had the opportunity to seek advice of counsel of its choice with respect to its rights to trial by jury, and each party, for itself and its successors, creditors, and assigns, expressly and knowingly waives and releases all rights to trial by jury in any action, proceeding or counterclaim brought by any party against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on or with regard to any matters of any kind or type arising out of or in any way connected with this Agreement and/or any other claim of injury or damage.

l. Time of Essence. Time is of the essence in the performance of this Agreement.

m. Confidentiality of Records. The NPO shall maintain confidentiality of records in accordance with the law, including, but not limited to, the provisions of Welfare and Institutions Code §§4514, 5328, and 14100.2. The NPO and all employees shall respect the confidentiality of all person served information they receive.

n. Survival. The rights and obligations set forth in this Agreement shall extend beyond the term or termination of this Agreement only to the extent expressly provided for herein, or to the extent that the survival of such rights or obligations are necessary to permit their complete fulfillment or discharge.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, RCOC and NPO have executed this Agreement as of the date first written above.

**REGIONAL CENTER OF ORANGE COUNTY**

\_\_\_\_\_  
Larry Landauer, M.S.W., Executive Director

**BRILLIANT CORNERS**

\_\_\_\_\_  
Name/Title:\_\_\_\_\_

**EXHIBIT "A"**  
**SCOPE OF WORK**

Brilliant Corners ("NPO") shall renovate and maintain one (1) single family residence ("Property") acquired pursuant to the Acquisition Agreement to be leased to a third-party service provider selected by RCOC ("Service Provider") and used in perpetuity as an EBSH. EBSH shall mean an Enhanced Behavioral Supports Home meeting the requirements of Article 3.6 of Chapter 6 of Division 4.6 of the California Welfare and Institutions Code (§§4684.80 - 4684.86).

NPO shall renovate the home as necessary to meet all statutory and regulatory requirements for the Property to be utilized as a, EBSH, as well as to meet the unique needs of the identified regional center Persons Served that will reside there. NPO shall only be reimbursed for eligible renovation costs, as set forth in Section VII.B. of Exhibit "B", unless otherwise approved in advance by RCOC. NPO shall take all actions reasonably within its control to have the Property ready for occupancy by Persons Served no later than six (6) months from the date of close of escrow.

**EXHIBIT “B”**  
**FISCAL YEAR 2017-18 COMMUNITY PLACEMENT PLAN**  
**HOUSING GUIDELINES**  
**INCLUDING OCTOBER 5, 2020 AMENDMENTS**

**EXHIBIT C**  
**FORM OF CERTIFICATE OF ACCEPTANCE**

CERTIFICATE OF ACCEPTANCE

Reference is made to that certain Lease dated as of \_\_\_\_\_, 20\_\_ (the "Lease"), by and between Brilliant Corners, as Landlord, and \_\_\_\_\_, as Tenant, for the property located at \_\_\_\_\_. Capitalized terms used, but not defined, herein shall have the meaning set forth in the Lease.

In accordance with the Lease, the Parties have inspected the Premises and have determined that all work required to be performed by, or on behalf, of the Landlord necessary to permit the Premises to be utilized by the Tenant for the Permitted Use has been completed. Therefore, the Parties desire to execute this Certificate of Acceptance, and the Parties mutually agree and acknowledge as follows:

The date of inspection of the Premises by the Parties was: \_\_\_\_\_.

The Commencement Date is: \_\_\_\_\_.

The Rent Reduction Period commences as of: \_\_\_\_\_.

The first payment of Base Rent is due no later than: \_\_\_\_\_ **[INSERT DATE 6 MONTHS AFTER THE COMMENCEMENT DATE]** (provided, however, as set forth in the Lease, the Parties acknowledge that the Rent Reduction Period shall end sooner if full occupancy of the Building occurs prior to the first (1st) day of the seventh (7th) full calendar month after the Commencement Date).

As of the Commencement Date (as set forth above), the Tenant acknowledges that the Landlord has delivered exclusive occupancy of the Premises to the Tenant, that the Tenant accepts the Premises in its current and existing condition, and that the Tenant is obligated to pay Rent to the Landlord in accordance with the terms of the Lease. Nothing in this Certificate of Acceptance shall be deemed to waive any provision of the Lease.

AGREED AND ACCEPTED BY:

**LANDLORD:**

BRILLIANT CORNERS, a California  
nonprofit public benefit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**TENANT:**

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT D**  
**ADDENDUM TO LEASE**

## ADDENDUM TO LEASE

This is an Addendum to the Lease dated \_\_\_\_\_, 20\_\_ between Brilliant Corners, a California nonprofit corporation ("Landlord") and \_\_\_\_\_ ("Tenant") for premises commonly known as \_\_\_\_\_ in \_\_\_\_\_, California (the "Premises"). If any inconsistency exists between the Lease and the terms of this Addendum, the terms of this Addendum shall control.

The parties further agree as follows:

1. Third Party Beneficiary. Regional Center of Orange County, a California nonprofit corporation ("RCOC"), is a third party beneficiary of both (1) Landlord's rights against Tenant and (2) Tenant's rights against Landlord under this Lease.

2. Use of the Premises; Permitted Uses. The Premises shall be used solely as a long-term residence for persons with developmental disabilities and eligible for services from RCOC (the "Intended Use"). Tenant shall not use the Premises for any other use without (1) Landlord's prior written consent, which shall not be unreasonably withheld, and (2) RCOC's prior written consent. The purpose of this provision is to ensure that the use of the Premises is maintained for the benefit of persons with developmental disabilities, in accordance with the Restrictive Covenant encumbering the Premises.

3. Vendorization Compliance. During the Term of this Lease, Tenant shall at all times: (1) maintain its vendorization with RCOC; (2) comply with all service provider vendorization and other applicable requirements under law (including but not limited to the applicable provisions in Titles 17 and 22 of the California Code of Regulations and Divisions 4.5 and 9 of the California Welfare and Institutions Code); and (3) comply with all requirements of Tenant's Service Provider Agreement with RCOC (hereinafter collectively, the "Vendorization Requirements"). RCOC's delivery of written notice to Landlord that Tenant is in breach of any Vendorization Requirement shall constitute a default and breach under this Lease; provided, however, RCOC will not provide such notice to Landlord until after (1) RCOC has notified Tenant in writing that Tenant is in breach of the Vendorization Requirements and (2) Tenant fails to cure such breach by the deadline set forth in RCOC's notice (based on the notice and cure periods set forth in the Service Provider Agreement between RCOC and Tenant in its capacity as Service Provider). Upon Landlord's receipt of such notice, Landlord shall promptly exercise its rights under the Lease to evict Tenant (or require Tenant to assign its rights under this Lease to a new Service Provider selected by RCOC as provided in Section 5 below); provided, however, (1) all costs of such eviction or lease assignment shall be borne by RCOC and (2) at RCOC's request, Landlord will delegate to RCOC the authority to engage counsel to evict Tenant on behalf of Landlord.

4. Insurance Policy Requirements. All insurance policies that Tenant is obligated to maintain under this Lease shall (a) provide that they will not be cancelled on less than 30 days' prior written notice to Landlord and RCOC and (b) in the case of liability policies, contain a named insured endorsement and name Landlord and RCOC as "additional named insureds". Certificates of insurance shall be provided to Landlord and RCOC upon request during the Term.

5. Default; Special Notice, Cure and Assignment Rights Available to RCOC. Notwithstanding anything in the Lease to the contrary, no Tenant default shall occur until Landlord has also notified RCOC in writing of the breach and has given RCOC the same amount of time to cure the breach as Tenant is entitled under this Lease. If RCOC timely cures the breach, then RCOC may elect to designate a replacement tenant in lieu of Tenant (a "Designee") upon delivery to Landlord, as soon as practicable after such cure, of a written assumption by the Designee of Tenant's obligations under this Lease (and RCOC shall be responsible for paying all rent in the interim). The date of any such delivery of such written assumption of Tenant's obligations by Designee pursuant to the foregoing sentence is hereinafter referred to as the "Default Assignment Date." In the event of any such election, Landlord agrees to recognize the assignment of this Lease to the Designee, in the manner and on terms and conditions more fully described below, and to accept the performance by the Designee as the tenant under this Lease, subject to all of the terms and conditions hereof:

5.1 Upon a Default Assignment Date, Tenant shall be deemed to have made an absolute, irrevocable assignment without any condition precedent, for purposes of vesting in the Designee all of Tenant's right, title and interest in this Lease, and in and to the following intangible property, agreements and deposits which are now or hereafter used in connection with the operation of the Premises (collectively, the "Intangibles"): (1) Tenant's management agreements and service contracts for the benefit of the Premises and which can be terminated without penalty by Tenant within 30 or fewer days' notice; (2) all existing agreements with RCOC's consumers who reside on the Premises (the "Residents"), to the extent assignable by Tenant (excluding the right to any payments for periods prior to the Default Assignment Date); and (3) all deposits of any nature (including but not limited to security deposits, utility deposits and Residents' deposits), prepaid rent and Residents' personal accounts held by Tenant. Designee agrees to assume all of Tenant's obligations under the Intangibles from and after the Default Assignment Date.

5.2 Upon the Default Assignment Date, the Designee shall be responsible for and shall pay all accrued expenses with respect to the Premises accruing on or after the Default Assignment Date and shall be entitled to receive and retain all revenues from the Premises accruing on or after the Default Assignment Date.

5.3 Upon the Default Assignment Date, all necessary arrangements shall be made to provide possession of the Premises to the Designee as soon as is practicable, but in no event later than five (5) days after RCOC notifies Tenant of the name and address of the Designee. At the time Tenant transfers possession of the Premises to the Designee, Tenant shall deliver to RCOC and the Designee (1) all Resident records and other personal information concerning all Residents residing at the Premises as of the Default Assignment Date and (2) all financial statements and other relevant records used or developed in connection with the Premises or business conducted at the Premises. Such transfer and delivery shall be in accordance with all legal requirements concerning the transfer of such records.

5.4 On the Default Assignment Date, Tenant shall provide RCOC with an accounting of all funds belonging to Residents at the Premises that are held by Tenant in a custodial capacity. Such accounting shall set forth the names of the Residents for whom such funds are held and the amounts held on behalf of each such Resident. Additionally, Tenant shall

make or assist with all necessary arrangements to transfer such funds to a bank account designated by RCOC, and RCOC or its Designee shall in writing acknowledge receipt of and expressly assume all Tenant's financial and custodial obligations with respect thereto.

5.5 All cash, checks and cash equivalents at the Premises and deposits in bank accounts (other than any client trust accounts) relating to the Premises on the Default Assignment Date shall remain Tenant's property after the Default Assignment Date. Tenant shall remain responsible for the payment of its liabilities, including accounts payable and payment of rent hereunder. RCOC or its Designee shall assume responsibility for the billing and collection of payments on account of services rendered by Designee on and after the Default Assignment Date. All payments applicable to services rendered after the Default Assignment Date shall be retained by RCOC or its Designee. RCOC or its Designee shall cooperate with Tenant in Tenant's collection of its remaining accounts receivable. Neither RCOC nor its Designee shall have any liability for uncollectible receivables, and neither shall be obligated to bear any expense as a result of such activities on behalf of Tenant.

5.6 RCOC or its Designee shall have an option to purchase any, all, or none of Tenant's furnishings and equipment used in the operation of the Premises for a price equal to its then fair market value (provided, however, to the extent (1) such furnishings and equipment were already located at the Premises at the time Tenant began to lease the Premises or (2) Tenant or its predecessor(s) had purchased such equipment and furnishings with funds provided by RCOC or any of them, Tenant shall transfer ownership of such equipment and furnishings to RCOC or its Designee for no additional consideration). RCOC or its Designee may exercise its option at any time prior to the expiration of 30 days following the Default Assignment Date. If the parties are unable to agree upon the fair market value of any equipment or furnishings which RCOC or its Designee elects to purchase, RCOC shall remit what it reasonably believes to be fair market value, Tenant shall transfer the items to RCOC or its Designee and the parties shall resolve any remaining differences by jointly selecting a third party appraiser to value the items, and such appraiser's decision will be binding on the parties; if the parties are unable to agree on an appraiser, either party may petition to a judge of the Superior Court in the County in which the Premises is located to select an appraiser on behalf of the parties. RCOC or its Designee shall also have the right to purchase all, some, or none of Tenant's supplies on hand upon the Default Assignment Date for a price equal to their cost to Tenant. Such option may be exercised at any time prior to the expiration of 30 days following the Default Assignment Date.

5.7 RCOC or its Designee shall have the right to download, copy, or otherwise use any computer programs used in the operation of the Premises, without charge by Tenant, for a period of six months following the Default Assignment Date. Tenant agrees not to erase or delete any data available upon its computer system that relates to the operation of the Premises.

5.8 The parties acknowledge that in the event RCOC elects to cause this Lease to be assumed by a Designee pursuant to this Section 5, it may take several months for such Designee to obtain all necessary licenses and permits and a new agreement between it and RCOC for the Designee to provide residential care services for people with developmental disabilities ("Provider Agreement"). In light of the foregoing, Tenant agrees that upon the Default Assignment Date, Tenant shall, at RCOC's option but at no cost to Tenant, enter into appropriate interim arrangements with the Designee, effective as of the Default Assignment

Date, whereby Tenant shall continue to operate the Premises as licensee for so long as it takes the Designee to obtain the necessary licenses and permits and new Provider Agreement, provided that Tenant may, in coordination with the California Departments of Health Services and Social Services, (1) delegate to Designee (or RCOC), as manager of the Premises, any and all functions that it is permitted to delegate under California law; and/or (2) allow Designee to use Tenant's Medicare and Medicaid (including Medi-Cal) provider numbers ("Provider Numbers") until it obtains new Provider Numbers. Any Designee that operates the Premises under Tenant's License or Provider Number shall not be the subject of a current license revocation or a current termination of a Medicare or Medicaid provider agreement. The agreement(s) documenting such interim arrangements shall provide that the Designee shall indemnify Tenant for any losses or damages incurred by Tenant as a direct result of the Designee's negligence, including, without limitation, any actions taken by the California Department of Developmental Services or any other governmental agency, in response to acts or omissions of the Designee at the Premises while operating under Tenant's Licenses and Permits that have a quantifiable adverse effect on the ability of Tenant to secure or maintain an intermediate care residence or an adult residential care residence license, where applicable. In order to receive such indemnity, Tenant shall be required to demonstrate that the adverse effect would not have occurred but for the acts or omissions of the Designee.

5.9 Tenant further agrees to take any action RCOC deems reasonably necessary to prevent, and Tenant shall not permit the occurrence of (1) a lapse in or limitation in the licenses and permits required to operate the Premises for its Intended Use (the "Licenses and Permits") (or the eligibility of the Premises for Medicare or Medi-Cal reimbursement, if applicable), (2) transfers of Residents from the Premises and/or (3) appointment of a temporary manager (not approved by RCOC) or receiver.

5.10 Without limiting the foregoing, Tenant agrees, after a breach and upon RCOC's request, to: (1) sublease the Premises to the Designee subject to the provisions of Section 5 hereof; (2) cease providing licensed care or services at the Premises; (3) cease representing itself to the public as having the Licenses and Permits to provide licensed care or services at the Premises; (4) provide for the management of the Premises by the Designee; and/or (5) provide for any other transfers or arrangements that RCOC deems necessary to effectuate the purposes of this provision.

## 6. Assignment, Subletting and Lease Modifications

6.1 Transfers. Tenant is prohibited from, and shall not assign, sublet, encumber, mortgage, transfer or dispose of (each a "Transfer") all or any part of the Premises, this Lease or Tenant's leasehold estate hereunder, without first obtaining the written consent of RCOC.

6.2 Lease Modifications/Terminations Require Consent of RCOC. Neither Landlord nor Tenant shall amend or modify this Lease without first obtaining the written consent of RCOC. Neither Landlord nor Tenant shall terminate this Lease without first obtaining the written consent of RCOC. Any such purported amendment, modification or termination without RCOC's written consent shall be voidable at RCOC's option. RCOC may condition its consent to the termination of this Lease on its approval of a replacement Lease for the Premises between

Landlord and a new tenant (who is approved in accordance with the terms in Paragraph 6.1 above) that contains the same terms and conditions of this Lease, including the same protections for the RCOC as in this Lease.

6.3 Assignee's Assumption of Lease Obligations. No assignment by Tenant of this Lease shall be valid unless and until (1) the requirements of Paragraph 6.2 above have been complied with (or the assignee is a Designee as defined in Paragraph 5 above) and (2) the assignee executes and delivers to Landlord a written assumption of Tenant's obligations under this Lease for the benefit of Landlord.

7. Tenant's Indemnities. Tenant shall indemnify, hold harmless and defend Landlord and RCOC from and against any and all liabilities, claims, damages, costs and expenses, including reasonable attorneys', consultants' and experts' fees and expenses, imposed upon or incurred by Landlord or RCOC to the extent resulting from: (a) any personal injury to RCOC's consumers or other third parties or property damage occurring during the Term on or about the Premises caused by the negligence of Tenant or any employee, agent, contractor, consultant, subtenant or invitee of Tenant working in or from the Premises; (b) any failure on the part of Tenant to perform or comply with any of the terms of this Lease; and (c) any claim for negligence or misconduct committed by any Resident or by Tenant or by any employee, agent, contractor, consultant, subtenant, or invitee of Tenant working in or from the Premises.

8. Landlord's Indemnities. Landlord shall indemnify, hold harmless and defend Tenant and RCOC from and against all liabilities, claims, damages, costs and expenses, including reasonable attorneys', consultants' and experts' fees and expenses, imposed upon or incurred by Tenant or RCOC to the extent resulting from: (a) any accident, injury to or death of third parties or loss of or damage to property occurring prior to the Term on or about the Premises; (b) any failure on the part of Landlord to perform or comply with any of the terms of this Lease; and (c) the negligence of Landlord or Landlord's agents, employees, contractors or invitees.

9. Estoppels for RCOC. Landlord and Tenant shall each provide Estoppel Certificates to RCOC upon request, certifying (a) that this Lease is unmodified and in full force and effect (or if modified setting forth the modifications); (b) the dates to which the rent has been paid; (c) whether, to the responder's knowledge, any party is in default in the performance of any provision contained in this Lease and, if so, specifying such default(s); and (d) responses to such other questions or statements as RCOC shall reasonably request. The responder's failure to timely deliver such statement shall constitute an acknowledgment by the responder that (i) this Lease is unmodified and in full force and effect except as may be represented to the contrary by RCOC; and (ii) the other matters set forth in such request are true and correct.

10. Changes in Rent.

10.1 Reduction of Rent Upon Repayment of a Loan. At such time(s) as each loan secured by a deed of trust encumbering the Premises has been repaid in full (without refinancing), the rent under this Lease shall be reduced by an amount equal to the monthly installment payments previously owed by Landlord to such lender (and Tenant's rate of payment under its Service Provider Agreement with RCOC shall be reduced by the same amount).

10.2 Reduction of Rent Tied to Reduction in Real Property Taxes for Tax Exempt Service Provider. If the Tenant or any successor Tenant is a nonprofit entity under Internal Revenue Code section 501(c)(3), then once Landlord receives a real property tax exemption for the Premises, the rent under this Lease shall be reduced by an amount equal to the difference between (i) the amount of real property taxes in effect on the date Landlord acquired fee title to the Premises and (ii) the amount of the reduction in real property taxes as a result of obtaining the tax exemption (and Tenant's rate of payment under its Service Provider Agreement with RCOC shall be reduced by the same amount).

10.3 Change of Rent Due to Changes in Operating, Maintenance and/or Repair Costs. At Landlord's request to RCOC, such parties shall meet (but not more often than every five years) to discuss whether to increase the rent to the extent Landlord's net operating, maintenance and/or repair costs have increased during such previous five-year period (after taking into account any additional funds Landlord has received from RCOC, Tenant or any third party during such time period to compensate Landlord for any changes in such costs). As a result of such meeting, the parties may mutually agree to increase the rent to a new fixed monthly amount to reasonably account for such net cost increases (and, in such event, Tenant's rate of payment under its Service Provider Agreement with RCOC shall be automatically increased by the same amount); *provided, however*, (i) RCOC's may consent or withhold its consent to any increase in rent at RCOC's sole and absolute discretion and (ii) RCOC may condition its agreement to increase the rent on the California Department of Developmental Services' approval of such rent increase.

11. Conveyance by Landlord. If Landlord or any successor owner of Landlord's rights in and title to the Premises shall convey the Premises, the transferee(s) shall assume in writing, for the express benefit of RCOC, all obligations and liabilities of Landlord hereunder arising or accruing from and after the date of such conveyance or transfer, including all obligations of Landlord under the Restrictive Covenant encumbering the Premises in favor of RCOC and the California Department of Developmental Services.

12. Notices. All notices to RCOC under this Lease shall be addressed as follows (although RCOC may, by notice to the other parties from time to time, specify a different address for notice purposes):

Regional Center of Orange County  
Attention: Executive Director  
1525 North Tustin Avenue  
Santa Ana, CA 92705  
Phone: (714) 796-5100

Executed at \_\_\_\_\_, California as of the date first written above.

**“Landlord”**

**BRILLIANT CORNERS,**  
a California nonprofit corporation

By \_\_\_\_\_  
William F. Pickel, CEO

**“Tenant”**

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021  
TO: Board of Directors  
FROM: John “Chip” Wright  
Chair, Executive Committee

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of Renewal of Board Membership for Chinh Nguyen for a Three-Year Term Commencing September 1, 2021 and Ending August 31, 2024**

BACKGROUND:

The Board’s policy on Board Membership and Application Process states that the composition of the Board shall comply with the provisions of the Lanterman Developmental Disabilities Services Act (Welfare and Institutions Code, §4622). In addition to the provisions of the Lanterman Act, the Board may also consider for membership persons whose skills include, but are not limited to, education, community service and public health.

REASON FOR CURRENT ITEM:

Ms. Chinh Nguyen will complete her first one-year term on August 31, 2021. The Executive Committee recommends that the Board renew Ms. Nguyen’s membership for a three-year term, commencing September 1, 2021 and ending August 31, 2024.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

That the Board approve Ms. Chinh Nguyen’s Board membership for a three-year term, commencing September 1, 2021 and ending August 31, 2024.

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021  
TO: Board of Directors  
FROM: John “Chip” Wright  
Chair, Executive Committee

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of Renewal of Board Membership for Sandy Martin for a Three-Year Term Commencing September 1, 2021 and Ending August 31, 2024**

BACKGROUND:

The Board’s policy on Board Membership and Application Process states that the composition of the Board shall comply with the provisions of the Lanterman Developmental Disabilities Services Act (Welfare and Institutions Code, §4622). In addition to the provisions of the Lanterman Act, the Board may also consider for membership persons whose skills include, but are not limited to, education, community service and public health.

REASON FOR CURRENT ITEM:

Ms. Sandy Martin will complete her first one-year term on August 31, 2021. The Executive Committee recommends that the Board renew Ms. Martin’s membership for a three-year term, commencing September 1, 2021 and ending August 31, 2024.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

That the Board approve Ms. Sandy Martin’s Board membership for a three-year term, commencing September 1, 2021 and ending August 31, 2024.

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021

TO: Board of Directors

FROM: John “Chip” Wright  
Chair, Executive Committee

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of the 2021 Strategic Plan**

BACKGROUND:

In February 2020, the Board of Directors’ retreat focused on the organization’s mission and its strategic direction. The Policies and Outcomes Committee was then charged with revising the Strategic Plan.

The Policies and Outcomes Committee completed its review and revision of the Strategic Plan.

REASON FOR CURRENT ITEM:

The Policies and Outcomes Committee presented the revised Strategic Plan to the Executive Committee; the Executive Committee is presenting the Strategic Plan to the Board for approval (see attachment).

FISCAL IMPACT:

None.

RECOMMENDATIONS:

That the Board approve the Strategic Plan as presented.

# **Regional Center of Orange County 2021 Strategic Plan**

## **Introduction**

Within the spirit of the Regional Center of Orange County's (RCOC's) Board of Directors' Policy Governance Model (Carver Model), the strategic goals and suggested plans in this document are meant to guide the work of RCOC in fulfilling its mission. The development of this strategic plan focuses on RCOC's priorities in response to the current and anticipated future needs of the organization and the persons and families served by RCOC. Its aim is also to ensure that RCOC's Board and Executive Management Team are working toward the same goals.

The goals in this document are set forth in response to input from the community through public meetings, National Core Indicators survey results, as well as through Board assessments and trends in the field of developmental disabilities on the state and national level. After the Board adopts this document, RCOC's management team will provide quarterly updates at a minimum, with regular updates at the Policy and Outcomes Committee meetings and higher level updates at Board meetings.

## **RCOC's Mission and Vision Statements**

### **Mission**

*The Regional Center of Orange County (RCOC) is a private non-profit organization that, as mandated by the Lanterman Developmental Disabilities Services Act, collaborates with persons with developmental disabilities, their families and the community to secure individualized services and supports that enhance the quality of life for the people we serve and assist them in realizing their full potential.*

### **Vision**

*Every person served by RCOC is a valued member of the community and achieves his or her individual potential.*

## **RCOC's Strategic Goals**

1. Increase the proportion of working-age persons served engaged in competitive integrated employment (CIE) including transportation to CIE.
2. Increase the supply of safe, appropriate and affordable housing for those served by RCOC through stakeholder involvement.

3. Strengthen RCOC's public image and relationships within the general Orange County community and with legislators to advance the mission (including advocacy for competitive vendor rates).
4. Foster healthier lifestyle options to reduce health risk factors and improve the overall well-being of those served by RCOC.
5. Cultivate executive leadership growth and sustainability through training, succession planning and leadership development.
6. Build, train and maintain a strong, effective Board of Directors.

### **Strategic Goal 1: Increase the proportion of working-age persons served in competitive integrated employment (CIE) including transportation to CIE**

#### **Objectives:**

- To educate and support families, people with developmental disabilities, service coordinators, school district staff, and vendors on the benefits of competitive-integrated employment.
- To expand employment opportunities for people with developmental disabilities.
- To develop meaningful employment data to determine progress in increased competitive-integrated employment and transportation.

### **Strategic Goal 2: Increase the supply of safe, appropriate and affordable housing for those served by RCOC through stakeholder involvement**

#### **Objectives:**

- Educate families and people with developmental disabilities about housing options and help them explore, prepare for and identify future housing options.
- Expand housing opportunities for people we serve through advocacy and community connections.

### **Strategic Goal 3: Strengthen RCOC's public image and relationships within the general Orange County community and with policymakers to advance the mission (including advocacy for competitive vendor rates of pay)**

#### **Objectives:**

- Increase awareness of RCOC and available services.

- Establish and/or maintain working partnerships with businesses, employers, schools, legislators, news media and community service leaders and organizations.
- Position RCOC as a positive, vital force in the community.
- Increase positive recognition, enthusiasm and support for RCOC as a leader in advocacy and ensuring quality services for individuals with developmental disabilities and their families.
- Maintain a high level of transparency and accountability.

**Strategic Goal 4: Foster healthier lifestyle options to reduce health risk factors and improve the overall well-being of those served by RCOC including transportation to healthcare visits**

**Objectives:**

- Maintain Board-adopted Health, Wellness and Safety Initiative.
- Maintain a Health, Wellness and Safety Community Advisory Council that will meet at least annually.
- Expand healthy lifestyle opportunities for RCOC individuals served through staff, vendor and community partnerships.
- Maintain current and accurate health and wellness data, including NCI survey results, and use data to determine progress.

**Strategic Goal 5: Cultivate executive leadership growth and sustainability through training, succession planning and leadership development**

**Objectives:**

- Utilize the organization's mission to identify the leadership and managerial skills needed to carry out the organization's mission and vision.
- Recruit, develop and retain talented individuals who have or can develop the identified leadership and managerial skills needed to carry out the organization's mission and vision.
- Provide the necessary internal and external tools and resources, along with the appropriate training and mentoring, for Executive leadership to carry out the organization's mission and vision consistent with its values and guiding principles.

## **Strategic Goal 6: Build, train and maintain a strong effective Board of Directors**

### **Objectives:**

- Continually assess RCOC's Board leadership needs.
- Establish a process to identify, contact and secure commitments from the best-qualified individuals to fill Board leadership needs.
- Implement a long-range plan for Board leadership recruitment and development.
- Orient new Board members to RCOC and provide ongoing training and support.

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021  
TO: Board of Directors  
FROM: John “Chip” Wright  
Chair, Executive Committee

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of Board of Directors’ Meeting Schedule for Fiscal Year 2021-22**

BACKGROUND:

The Board of Directors approves its meeting schedule annually. The Board meets at 5:00 p.m. for its Executive (closed to the public) session, which is followed at 6:00 p.m. by its General (open to the public) session. During the pandemic, when Board meetings were held virtually, times varied somewhat from the traditional schedule.

REASON FOR CURRENT ITEM:

The proposed meeting schedule is attached.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

That the Board approve its meeting schedule for fiscal year 2021-22 as presented.

## FY 2021-22 Meeting Schedule for RCOC Board of Directors

<b>Board of Directors Meeting 5-8 p.m.</b>	<b>Board of Directors Training 5-8 p.m.</b>	<b>Board Packet Review 3-4 p.m.</b>	<b>Budget &amp; Finance 4-5 p.m.</b>	<b>Peer Advisory 4-5:30 p.m.</b>	<b>Executive 5-6 p.m.</b>	<b>Legislative &amp; Community Awareness 5-6 p.m.</b>	<b>Policies &amp; Outcomes 6-7 p.m.</b>	<b>Board Recruitment &amp; Training 5-6 p.m.</b>	<b>Vendor Advisory 2-4 p.m.</b>
<i>Board Rooms</i>	<i>Board Room C</i>	<i>Executive Board/Closed Session Room</i>	<i>Board Room C</i>	<i>Board Room C</i>	<i>Executive Board/Closed Session Room</i>	<i>Executive Board/Closed Session Room</i>	<i>Executive Board/Closed Session Room</i>	<i>Executive Board/Closed Session Room</i>	<i>Board Room C</i>
<i>Minimum of Six 1<sup>st</sup> Thursdays</i>	<i>1<sup>st</sup> Thursday</i>	<i>1<sup>st</sup> Thursday</i>	<i>1<sup>st</sup> Thursday</i>	<i>3<sup>rd</sup> Wednesday</i>	<i>3<sup>rd</sup> Monday</i>	<i>2<sup>nd</sup> Tuesday</i>	<i>3<sup>rd</sup> Monday</i>	<i>2<sup>nd</sup> Monday</i>	<i>2<sup>nd</sup> Tuesday</i>
<b>Dark</b>	7/8/21*	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	7/19/21	7/13/21	7/19/21	7/12/21	7/13/21
<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>
9/2/21	<b>Dark</b>	9/2/21	9/2/21	9/15/21	9/20/21	<b>Dark</b>	<b>Dark</b>	9/13/21	9/14 /21
<b>Dark</b>	10/7/21	<b>Dark</b>	<b>Dark</b>	10/20/21	10/18/21	10/12/21	10/18/21	10/11/21	10/12/21
11/4/21	<b>Dark</b>	11/4/21	11/4/21	11/17/21	11/15/21	<b>Dark</b>	<b>Dark</b>	11/8/21	11/9/21
<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>
1/13 /22*	<b>Dark</b>	1/13 /22*	1/13 /22*	1/19/22	1/18 /22**	1/11/22	<b>Dark</b>	1/10 /22	1/11/22
<b>Dark</b>	2/5/22~	<b>Dark</b>	<b>Dark</b>	2/16/22	2/22/22**	<b>Dark</b>	2/22/22**	2/14/22	2/8/22
3/3/22	<b>Dark</b>	3/3/22	3/3/22	3/16/22	3/21/22	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	3/8/22
<b>Dark</b>	4/7/22	<b>Dark</b>	<b>Dark</b>	4/20/22	4/18/22	4/12/22	4/18/22	4/11/22	4/12/22
5/5/22	<b>Dark</b>	5/5/22	5/5/22	5/18/22	5/16/22	<b>Dark</b>	5/16/22	5/9/22	5/10/22
6/2/22	<b>Dark</b>	6/2/22	6/2/22	6/15/22	6/20/22	<b>Dark</b>	<b>Dark</b>	<b>Dark</b>	6/14/22

\*Scheduled on second Thursday due to holiday

\*\*Scheduled for Tuesday due to Monday holiday

~ Board Retreat - Saturday

**Regional Center of Orange County  
Nominating Committee  
May 17, 2021  
Virtual Meeting Minutes**

**Committee Members Present:** John “Chip” Wright, Chair  
Clifford Amsden  
Sylvia Delgado  
Mine Hagen  
Liza Krassner

**Corporate Counsel Present:** David Lester, Esq.

Mr. Chip Wright called the meeting to order at 5:15 p.m.

**I. Proposed Slate of Officers**

Mr. Wright asked the Committee to recommend a slate of officers for approval at the Board meeting on June 3, 2021. The Committee decided to continue with the same slate of officers.

*M/S/C to recommend approval of the following slate of officers to RCOC’s Board of Directors with terms commencing July 1, 2021 and ending December 31, 2022.*

<i>Chairperson:</i>	<i>John “Chip” Wright</i>
<i>Vice-Chairperson:</i>	<i>Clifford Amsden</i>
<i>Treasurer:</i>	<i>Mine Hagen</i>
<i>Secretary:</i>	<i>Sylvia Delgado</i>

Mr. Wright adjourned the meeting at 5:22 p.m.

*Recorder: Sandra Lomelí*

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021  
TO: Board of Directors  
FROM: John “Chip” Wright  
Chair, Nominating Committee

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of Proposed Slate of Officers with New Terms Commencing July 1, 2021 and Ending December 31, 2022**

BACKGROUND:

RCOC’s Bylaws describe the offices of the Board and the election process (Sections 3.01 and 3.02). The officers of the Board shall be the Chairperson, Vice-Chairperson, Secretary and Treasurer. The terms of officers shall be for 18 months. The Board shall elect its officers at a regularly scheduled Board meeting held at least one month prior to the end of the current officers’ terms. In addition to the Directors nominated by the Nominating Committee, any Director may nominate a Director for any office. Election of each officer shall require a majority vote of all members of the Board.

REASON FOR CURRENT ITEM:

The Nominating Committee met on May 17, 2021, and proposes the following slate of officers for terms commencing July 1, 2021 and ending December 31, 2022.

*Chairperson: John “Chip” Wright*  
*Vice-Chairperson: Clifford Amsden*  
*Treasurer: Mine Hagen*  
*Secretary: Sylvia Delgado*

FISCAL IMPACT:

None.

RECOMMENDATIONS:

That the Board approve the proposed slate of officers as presented.

**Regional Center of Orange County  
Board Recruitment and Training Committee  
May 10, 2021  
Videoconference Minutes**

**Committee Members Present:** John “Chip” Wright, Chair  
Sylvia Delgado  
Frances Hernandez (*joined at 5:01 p.m.*)  
Sandy Martin  
Chinh Nguyen (*joined at 5:06 p.m.*)  
Fernando Peña

**RCOC Staff Present:** Bette Baber, Chief Financial Officer  
Bonnie Ivers, Clinical Director  
Keli Radford, Services and Supports Director  
Stacy Wong, Human Resources Director (*joined at 5:17 p.m.*)

**Guest:** Hilda Mendez (*joined at 5:03 p.m.*)

Mr. Chip Wright called the videoconference meeting to order at 5:00 p.m.

**I. Board Recruitment**

**A. Review Board Members’ Terms of Office and Upcoming Turnover**

Mr. Wright reviewed the current Terms of Office and the Committee discussed upcoming turnover.

**B. Discuss Recruitment Needs**

The Committee discussed recruitment efforts and the need to recruit new members to ensure compliance with the composition requirements of the Lanterman Act.

**C. Review New Board Member Applications**

The Committee reviewed and discussed Ms. Hilda Mendez’s application within the context of the Board’s current composition and its needs and decided to recommend her to the Executive Committee for Board membership.

*M/S/C to recommend to the Executive Committee appointment of Hilda Mendez to RCOC’s Board of Directors*

**II. Board Development and Training**

**A. Discuss Board Training Schedule and Topics**

***Board Recruitment and Training Committee Minutes  
May 10, 2021***

Mr. Wright stated that the Board training topic will be *Home and Community Based Services (HCBS) and the Centers for Medicare & Medicaid Services' (CMS) Final Rule* at 5:30 p.m. on July 8, 2021. Mr. Wright requested a draft outline of the upcoming training for review at the next BTRC meeting.

The Committee also reviewed educational training topics for the upcoming Board training in October. Mr. Wright requested that the list of educational training topics include the date that it each topic was last presented.

**III. Community Forum**

No community members were present at the meeting.

Mr. Wright adjourned the meeting at 5:29 p.m.

*Recorder: Sandra Lomelí*

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021

TO: Board of Directors

FROM: John “Chip” Wright, Chair  
Board Recruitment and Training Committee

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of Board Membership for Hilda Mendez, for a Three-Year Term Commencing July 1, 2021 and Ending June 30, 2024**

BACKGROUND:

The Board’s policy on Board Membership and Application Process states that the composition of the Board shall comply with the provisions of the Lanterman Developmental Disabilities Services Act (Welfare and Institutions Code, §4622). In order to achieve balance and diversity, and comply with the mandates of the Lanterman Act, the RCOC Bylaws state that the Board shall consist of no more than nineteen (19) members and it is very desirable that the Board consist of no less than eight (8) members. In addition to the provisions of the Lanterman Act, the Board may also consider for membership persons whose skills include education, community service, public health, and others as appropriate to the needs of its constituencies.

REASON FOR CURRENT ITEM:

RCOC received an application for Board Membership from Ms. Hilda Mendez (see attached). The Committee reviewed Ms. Mendez’s application, decided that Ms. Mendez’s membership will be beneficial to RCOC’s constituents and that it will improve RCOC’s compliance with the balance, diversity and expertise requirements set forth in the Lanterman Act.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

That the Board approve Board membership for Hilda Mendez for a three-year term commencing July 1, 2021 and ending June 30, 2024.

# Regional Center of Orange County

P.O. Box 22010

Santa Ana, CA 92702-2010

## Board Member Application

Date: 05/05/2021

Name: Hilda Mendez Phone: [REDACTED]

Home Address: [REDACTED] City: Garden Grove Zip: [REDACTED]

Occupation: Retired Employer: \_\_\_\_\_

Work Phone: \_\_\_\_\_ Email Address: [REDACTED]

How did you develop your interest in or knowledge of developmental disabilities? Describe your employment, education or other activities which demonstrate your interest or knowledge.  
I have actively raised my grandson who is developmentally challenged. I'm also actively involved in various organizations and assisting with their planning and fundraising activities.

Please describe your current or past membership in community and/or professional organizations.

I am an Ambassador with the Hispanic Chamber and am affiliated with a woman's political group, CalOptima Community Alliance, faith-based organizations, local and citywide collaborations and Special Olympics.

Please describe your current or past membership and offices (if any) held on other boards.

Board member of Angels of Hope  
Senator Correa's Special Needs Committee  
Member of the Woman's Group for faith-based organization

Please describe your hobbies and interests.

My hobbies include gardening, decorating, writing, sewing and enjoying sporting and social outings with my grandson.

Do you have any of the following special skills? If so, please check and describe more fully below.

- |   |  |  |
|---|--|--|
| <input checked="" type="checkbox"/> Business/Management | <input type="checkbox"/> Financial Analysis            | <input type="checkbox"/> Legal           |
| <input type="checkbox"/> Marketing/Public Relations     | <input checked="" type="checkbox"/> Political Activism | <input type="checkbox"/> Governing Board |
| <input type="checkbox"/> Other: _____                   |  |  |

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Are you a: (Please check one)

- Person with a developmental disability  
 Parent or family member of a person with a developmental disability  
 Representative of the general public

In order to assure the representation of all persons served by RCOC on the Board of Directors, please choose one or more of the following choices that best describes your ethnicity:

- African-American     Asian/Pacific Islander     Caucasian  
 Hispanic     Native American/Indian     Other (please specify: \_\_\_\_\_)

If you are a person with a developmental disability or the parent or family member of a person with a developmental disability, please indicate the type of disability (e.g., intellectual disability, autism, cerebral palsy, epilepsy or other). Mild I.D.

Please describe why you wish to serve on the Board of Directors and why you believe you are qualified.

After serving on RCOC's Board of Directors' in the past, I would like to return to continue

representing a vast population that has had little representation. As a bilingual grandparent, I

am aware of the many tribulations that many families go through in trying to navigate through

the system in trying to obtain services. I feel that I can assist in breaking the barriers by

helping those families and persons served understand the system and receive the services they need.

I look forward to building bridges of understanding for the community and especially for those

persons served. Please consider my sincere interest to serve on your board.

## Conflict of Interest Information

A “conflict of interest” generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, Title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Are you or any of your family members an employee of the State Department of Developmental Services (DDS), the California State Council on Developmental Disabilities or any state or local agency that provides services to persons served by the regional center?  Yes  No

If yes, please explain: \_\_\_\_\_

---

Do you or any of your family members have a financial interest in any contract with the regional center?  Yes  No If yes, please explain: \_\_\_\_\_

---

Are you or a family member a director, officer, owner, partner, employee or shareholder of an organization that is a regional center provider or contractor?  Yes  No

If yes, please explain: \_\_\_\_\_

---

Are you or any of your family members a governing board member of any organization providing service to people with developmental disabilities?  Yes  No

If yes, please explain: \_\_\_\_\_

---

You may search a list of organizations that are regional center providers at:

<http://www.rcocdd.com/consumers/resources/> or, you may provide the organization’s name and RCOC will notify you if the organization is a regional center provider.

*\*A family member includes all of the following: spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, parents-in-law, brothers-in-law, sisters-in-law, sons-in-law and daughters-in-law.*

## References

Please provide the following information for two people who know you well and can provide a personal and/or professional reference.

Name: Cindy Valencia Relationship: Colleague

Complete Address: [REDACTED]

Phone Number: [REDACTED] Best Time to Call: 10-4

Name: Marjorie Doolen Relationship: Colleague

Complete Address: [REDACTED]

Phone Number: [REDACTED] Best Time to Call:

# Signature Page

- After reviewing the Board Service Roles and Responsibilities Sheet, I understand what my duties would be as a Board Member.
  
- I am willing to serve and have attached a statement saying why I wish to serve as a member of the Board of Directors and why I believe I am qualified.
  
- After reviewing RCOC's Conflict of Interest Governance Policy, I assert that I do not have a current or potential conflict of interest.

Signature: Hilda Mendez

Date: 5/5/2021

Please return completed form to: Executive Office  
Regional Center of Orange County  
P.O. Box 22010  
Santa Ana, CA 92702-2010

If you have questions, please call: (714) 796-5205.

**Regional Center of Orange County  
Policies and Outcomes Committee  
May 17, 2021  
Videoconference Minutes**

**Committee Members Present:** Cliff Amsden, Chairperson  
Meena Chockalingam  
Mine Hagen  
Sandy Martin  
Chip Wright

**Committee Members Absent:** Liza Krassner

**RCOC Staff Members Present:** Larry Landauer, Executive Director  
Bette Baber, Chief Financial Officer  
Jerrod Bonner, Information Technology Director  
Arturo Cazares, Associate Director of Employment  
Bonnie Ivers, Clinical Director  
Keli Radford, Services and Supports Director  
Jack Stanton, Associate Director of Housing  
Stacy Wong, Director of Human Resources

**Corporate Counsel Absent:** David Lester, Esq.

Mr. Cliff Amsden called the videoconference meeting to order at 6:13 p.m.

**I. Governance Policies**

**A. Review of Transparency and Public Information Policy**

The Committee reviewed and proposed revisions to the policy.

*M/S/C to recommend that the Board approve the Transparency and Public Information Policy, as proposed.*

**B. Review of Whistleblower Policy**

The Committee reviewed and did not propose any revisions to the policy.

**C. Follow-up discussion on the Policy on Background Check Requirements for Providers**

Ms. Bette Baber, RCOC's Chief Financial Officer, stated that additional information on Live Scan will be provided at the meeting in July 2021.

## **II. Outcomes**

### **A. Person Centered Thinking (PCT) Update**

Mr. Landauer reported that there are no updates since the last Committee meeting.

### **B. Health and Wellness Project Update**

Dr. Bonnie Ivers, RCOC's Clinical Director, reported that the *Healthy Life, Happy Life* program, with 206 participants, will be completed this month. The next class is scheduled to begin in August and end mid-November 2021; it will focus on educating individuals about diabetes, hypertension and high cholesterol health problems.

### **C. Employment Update**

Mr. Arturo Cazares, RCOC's Associate Director of Employment, reported that for Competitive Integrated Employment (CIE) and the Paid Internship Program (PIP), the Governor's May Revise budget includes increases to the number of incentive payments for longer-term employment, additional incentives to help with COVID-19 recovery, and funding to support paid internship development.

### **D. Housing Update**

Mr. Jack Stanton, RCOC's Associate Director of Housing, reported that RCOC's Requests for Proposal (RFP) for the development of the two additional Enhanced Behavioral Supports Homes (EBSHs) are due today. The agreements will be presented for approval at the Board meeting on June 3, 2021.

Mr. Stanton also reported that he will be a panelist at tonight's Orange County Asperger's Support Group webinar on *Finding a Home*. Mr. Stanton will discuss affordable housing options, and services that could be provided to persons served who are living in their own home in the community. Other panelists include Ms. Rochelle Mills, President and CEO, Innovative Housing Opportunities and Mr. Mark Asturias, Executive Director, Irvine Community Land Trust, who will discuss past and current development projects, including housing partnerships with RCOC.

### **E. National Core Indicators (NCI) Update**

Mr. Landauer reported that the Governor's May Revise budget includes \$4 million from the General Fund in 2021-22 for one-time planning resources to create an outcome-focused regional center operations funding program. Beginning in 2022-23, ongoing costs increase to \$61 million from the General Fund.

*RCOC Policies and Outcomes Committee Minutes  
May 17, 2021*

**III. Community Forum**

No community members were present.

Mr. Amsden adjourned the meeting at 6:48 p.m.

*Recorder: Sandra Lomelí*

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021  
TO: Board of Directors  
FROM: Clifford Amsden, Chair  
Policies and Outcomes Committee  
SUBJECT: **Review of Whistleblower Policy**

ACTION	
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	X

BACKGROUND:

The Policies and Outcomes Committee is charged with reviewing and/or drafting policies that are necessary to meet the organization’s Mission. The Committee is also charged with annually or biennially reviewing policies for their continued usefulness and clarity. At its meeting on May 17, 2021, the Policies and Outcomes Committee reviewed the Whistleblower Policy.

REASON FOR CURRENT ITEM:

The Policies and Outcomes Committee did not recommend any revisions to the Whistleblower Policy.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

This is an information item; no action is required.

## **XIV. WHISTLEBLOWER POLICY**

### **POLICY**

It is the policy of the Regional Center of Orange County (RCOC) that employees, Board members, persons served, their families, and the vendor community have notice of and the opportunity to report alleged improper RCOC and alleged improper vendor/contractor activity through a whistleblower complaint process.

RCOC is contractually required to have a Board approved Whistleblower Policy, in accordance with Article I, Section 18, of RCOC's contract with the Department of Developmental Services (DDS). Improper regional center activity and improper vendor/contractor activity is defined in the contract as:

- *An “improper regional center activity” means an activity by a regional center, or an employee, officer, or board member of a regional center, in the conduct of regional center business, that is a violation of a state or federal law or regulation; violation of contract provisions; fraud or fiscal malfeasance; misuse of government property; or constitutes gross misconduct, incompetency, or inefficiency.*
- *An “improper vendor/contractor activity” means an activity by a vendor/contractor, or an employee, officer, or board member of a vendor/contractor, in the provision of DDS funded services, that is a violation of a state or federal law or regulation; violation of contract provisions; fraud or fiscal malfeasance; misuse of government property; or constitutes gross misconduct, incompetency, or inefficiency.*

RCOC and DDS have a variety of complaint and appeal processes available to vendor/contractors, agencies, facilities, parents, and persons served. These include: Consumer Rights Complaints, Early Start Complaints, Due Process Requests, Mediation Conference Requests, Lanterman Act, Fair Hearing Requests, Title 17 Complaints, Citizen Complaints and Comments, and Vendor Appeals. Each of these complaint and appeal processes has separate and distinct procedures for resolution. This separate policy relates only to RCOC and Vendor/Contractor Whistleblower Complaints as described above.

Nothing in this policy shall dissuade or prohibit complaints of alleged improper activity to be made using the foregoing complaint or appeal processes or other less formal means to make such complaints known.

### **Confidentiality**

The investigating party will make every effort to maintain the confidentiality of a complainant making a whistleblower complaint if the complainant requests confidentiality. However, in the rare circumstances where the investigating party is unable to maintain confidentiality due to its statutory responsibilities (including ensuring the health and safety of persons served and RCOC contract compliance and

legally required disclosures), the investigating party will attempt to inform the complainant of its need to disclose certain information prior to releasing identifying information. Additionally, the identity of the complainant may be revealed to appropriate law enforcement agencies conducting a criminal investigation.

### **No Retaliation**

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns about alleged improper RCOC and/or vendor/contractor activities and to permit an investigating party the opportunity to investigate and take appropriate action.

No person who in good faith reports a violation of this policy shall suffer harassment, retaliation or adverse employment consequences from RCOC. RCOC's Executive Committee or its designee will investigate complaints of retaliation following an established process. An RCOC employee who harasses or retaliates against someone who has reported a violation in good faith is subject to discipline up to and including immediate termination of employment.

### **Notification Requirements**

RCOC's Whistleblower Policy, along with the DDS Whistleblower Complaint Process are posted on RCOC's website. Notification of both RCOC's policy and DDS' Whistleblower Complaint Process will be provided annually to employees, Board members, persons served, their families and the vendor community.

## **PROCEDURE**

A Whistleblower Complaint about alleged improper RCOC and/or vendor/contractor activity may be filed by contacting any of the following:

- RCOC's Senior Management which includes: Executive Director; Director of Services and Supports; Chief Financial Officer; Clinical Director; General Counsel; Human Resources Director and Information Technology Director.
- RCOC's Board of Directors Executive Committee which includes: RCOC Board Chairperson, Vice Chair, Secretary and Treasurer. Counsel to the Board may also be contacted.
- Members of RCOC's Board of Directors may be contacted by phone or e-mail through the RCOC executive assistants to the Board, or attendance at a Board meeting.
- Department of Developmental Services Community Operations Division or the Community Services and Supports Division (for Early Start program services)

However, to ensure proper and timely logging and investigation, it is recommended that whistleblower complaints be submitted to RCOC's Custodian of Records.

RCOC will utilize an established process to investigate and take appropriate action on complaints, including complaints of retaliation. An initial review process will determine the appropriate venue for the complaint which could result in referral to another entity or process as described in the "Policy" section.

A Whistleblower Complaint shall contain a clear and concise statement of the alleged improper activity and any evidence to support the allegation. If a name, or other information (e.g., witness or document), is not provided that clearly identifies the person alleged to have acted improperly, and where that person works, the investigating party may not have sufficient information to investigate. Original documents should be provided when submitting written information. The submitting party should keep copies of all submitted documents for their records.

Although complaints may be filed anonymously, if insufficient information is provided and the investigating party has no means to contact the complainant, it may not be possible to investigate the allegation.

RCOC employees with questions about this policy should contact the Human Resources Director or a member of the Executive Committee.

## **GUIDING PRINCIPLES**

- The public funds that support the service system are expended in a fashion that is cost-effective, consumer-directed, consistent with good business practices, and that reflect careful stewardship.
- The RCOC Board of Directors is representative of, and accountable to its stakeholders and the community it serves.
- The RCOC Board of Directors will be actively involved in the organization (e.g., attendance and participation). The Board will provide appropriate support to maximize effective participation by all its members.
- RCOC aspires to the highest standards of ethical conduct: doing what we say; reporting information with accuracy and transparency; and maintaining full compliance with the laws, rules and regulations that govern RCOC's business.

*Last Policy Review Date: May 18, 2020*

*Date Revisions Approved by Board: June 4, 2020*

*Date of Next Review: on or before June 4, 2021*

REGIONAL CENTER OF ORANGE COUNTY

BOARD OF DIRECTORS

AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021  
TO: Board of Directors  
FROM: Clifford Amsden, Chair  
Policies and Outcomes Committee

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of Revisions to the Transparency and Public Information Policy**

BACKGROUND:

The Policies and Outcomes Committee is charged with reviewing and/or drafting policies that are necessary to meet the organization’s Mission. The Committee is also charged with annually or biennially reviewing policies for their continued usefulness and clarity. At its meeting on May 17, 2021, the Policies and Outcomes Committee reviewed the Transparency and Public Information Policy.

REASON FOR CURRENT ITEM:

After review, the Policies and Outcomes Committee recommends revisions to the Transparency and Public Information Policy as indicated in the attachment.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

That the Board approve the revisions to the Transparency and Public Information Policy as presented.

## XVIII. TRANSPARENCY AND PUBLIC INFORMATION POLICY

### BACKGROUND

The Regional Center of Orange County (RCOC) recognizes the importance of transparency and accountability to the community it serves. As established in the Lanterman Developmental Disabilities Services Act, RCOC is committed to reporting information with accuracy and transparency and maintaining full compliance with the laws, rules and regulations that govern RCOC's business. This includes Board composition and other public information posting requirements.

### POLICY

#### Reporting on RCOC Board Composition

By August 15<sup>th</sup> of each year, RCOC will provide the Department of Developmental Services (DDS) detailed documentation, as determined by DDS, demonstrating that the composition of the RCOC Board of Directors is in compliance **or not in compliance** with the statutory requirements identified in [Welfare and Institutions Code \(WIC\) Section 4622](#), (WIC [§4622.5](#)).

#### Posting of Public Information

~~The Board~~ RCOC shall comply with the provisions of the Lanterman Developmental Disabilities Services Act and RCOC's contract with DDS regarding transparency and access to public information (and any revisions or amendments thereto). ~~For example, as cited in Welfare and Institutions Code 4629.5(a), (b), RCOC will post on its Internet Web site all of the following:~~

Information regarding requests for proposals and contract awards, service provider rates, documentation related to establishment of negotiated rates, audits, and IRS Form 990 will be posted to RCOC's website and available upon request from RCOC's Custodian of Records. ~~The transparency and public information policy shall be in compliance with applicable law relating to the confidentiality of consumer service information and records, including, but not limited to, Section 4514.~~ In accordance with Article I, Section 19 of RCOC's contract with DDS, RCOC will also post to its website all of the following:

- (1) Regional center annual independent audits.
- (2) ~~Biannual~~ **Biennial** fiscal audits conducted by ~~the department~~ DDS.
- (3) Regional center annual reports pursuant to [WIC](#) Section 4639.5.
- (4) Contract awards, including the organization or entity awarded the contract, and the amount and purpose of the award.
- (5) Purchase of service policies.
- (6) The names, types of service, and contact information of all vendors, except ~~consumers~~ persons served or family members of ~~consumers~~ persons served.

- (7) Board meeting agendas and approved minutes of open meetings of the board and all committees of the board.
- (8) Bylaws of the regional center governing board.
- (9) The annual performance contract and year–end performance contract entered into with ~~the department~~[DDS pursuant to this division](#).
- (10) The ~~biannual~~[biennial](#) Home and Community–based Services Waiver program review conducted by ~~the department~~[DDS](#) and the State Department of Health Care Services.
- (11) The board–approved transparency and public information policy.
- (12) The board–approved conflict–of–interest policy.
- (13) ~~Reports required pursuant to Section 4639.5~~[The board-approved Zero Tolerance Policy](#).
- (14) [Regional center data relating to purchase of service authorization, utilization, and expenditure in accordance with WIC Section 4519.5 and Article VII, Section 6 of RCOC’s contract with DDS.](#)
- (15) [A link to the DDS website.](#)
- (16) [The salaries, wages, and employee benefits for all managerial positions for which the primary purpose is the administrative management of the regional center, including, but not limited to, directors and chief executive officers.](#)
- (17) [Regional center-specific reports generated pursuant to WIC Section 4571\(h\).](#)

Under no circumstances shall this policy be construed to require production of confidential ~~consumer~~ information [regarding persons served](#) which is protected by law from disclosure.

## **GUIDING PRINCIPLES**

- The governing Board of the Regional Center of Orange County is representative of and accountable to the community served by RCOC.
- RCOC aspires to the highest standards of ethical conduct: doing what we say; reporting information with accuracy and transparency; and maintaining full compliance with the laws, rules and regulations that govern RCOC’s business.
- The RCOC Board of Directors will possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the Orange County community it serves.

***Last Policy Review Date: May 20, 2019***

***No Revisions Recommended to Board: June 6, 2019***

***Date of Next Review: on or before June 6, 2021***

**Regional Center of Orange County  
Vendor Advisory Committee  
May 12, 2021  
Videoconference Minutes**

**Members:**

**Adult Behavior Management Programs**

Chair, Hector Navarro, absent

Co-Chair, Atrem Behmanesh, present (*joined at 2:27 p.m.*)

**Adult Day Programs**

Chair, Rick Perez, present

Co-Chair, Member Pending

**Adult Family Home/Foster Family Agency**

Chair, Mark Antenucci, present

Co-Chair, Member Pending

**Behavior Services**

Chair, Junie Lazo-Pearson, present

Co-Chair, Cindy Hebert, present

**Community Care Facilities**

Chair, Rebekah Hayes, absent

Co-Chair, Member Pending

**Early Intervention**

Chair, Tiffany Bauer, present

Co-Chair, Junie Lazo-Pearson, present

**Habilitation**

Chair, Jodean Hudson (term begins June 1, 2021)

Co-Chair, Tim Chervenak, absent

**Independent/Supported Living**

Chair, Janice Retz, absent, term ends May 31, 2021; Christine Molina, present, term begins June 1, 2021

Co-Chair, Ana Sandoval, present, term begins June 1, 2021

**Intermediate Care Facilities**

Chair, Rich Mraule, absent

Co-Chair, Member Pending

**Support Services/Allied Health**

Chair, David Santana, present

Co-Chair, Andrew Velasco, present

**Liaisons:**

**CalOptima**

Liaison Pending, absent

**Orange County Transit Authority**

Melissa Mungia, present

Christina Blanco, absent

*Vendor Advisory Committee Minutes*  
*May 11, 2021*

**Board Members Present:** Chinh Nguyen (*joined at 2:23 p.m.*)

**RCOC Staff Present:** Bette Baber, Chief Financial Officer  
Liliana Castillo, Accounting Manager  
Arturo Cazares, Associate Director of Employment  
Jyusse Corey, Peer Advocate  
Keli Radford, Director of Services and Supports  
Jack Stanton, Associate Director of Housing  
Sean Watson, Risk Management, QA Manager (*joined at 2:06 p.m.*)  
Marta Vasquez, Associate Finance Director

**I. Call to Order**

Ms. Tiffany Bauer welcomed all attendees and called the videoconference meeting to order at 2:02 p.m.

**II. RCOC Update**

In Mr. Larry Landauer's absence, Ms. Keli Radford reported that President Biden's proposed \$4.1 billion plan on infrastructure includes \$400 billion for in-home care for people with disabilities and older adults.

Ms. Radford also reported that the Federal Communications Commission (FCC) will launch its Emergency Broadband Benefit Program, part of the Consolidated Appropriations Act of 2021 to help low-income consumers access the Internet.

Ms. Radford stated that COVID-19 cases are down statewide. At RCOC, over 4,280 persons served have received their first dose of the vaccine; 3,807 are fully vaccinated; and, over 442 have declined the vaccine.

Ms. Radford reported that Lanterman cases are up and Early Start are still down statewide.

Ms. Radford also reported that RCOC continues to host its community COVID-19 updates.

Ms. Marta Vasquez, RCOC's Associate Director of Finance, reported that the Department of Developmental Services (DDS) is still working on the provider attestation. Ms. Vasquez added that she will be RCOC's contact person for Electronic Visit Verification (EVV).

**III. Board Report**

Ms. Bauer reported that the Board of Directors approved VAC's membership recommendations for subcommittee chairs and co-chairs at its meeting on May 6, 2021. Their terms begin June 1, 2021 and end May 30, 2023.

**IV. Community Forum**

Ms. Tolbert reported that the State Council on Developmental Disabilities (SCDD) will host its next monthly California Statewide Self-Advocacy Chat on Disability Sensitivity in the Workplace on May 19, 2021. SCDD will also host a webinar on Social Security Disability Benefits and Employment on May 20, 2021.

**V. Peer Advisory Committee (PAC) Report**

Mr. Jyusse Corey, RCOC's Peer Advocate, reported that the next PAC meeting is scheduled for May 19, 2021. Mr. Corey also reported that he attended the 25<sup>th</sup> Annual California Statewide Self-Advocacy Conference that was held virtually on May 7, 2021.

**VI. Liaison Reports**

**A. CalOptima – Liaison pending**

No representative from CalOptima was present and no report was provided.

**B. Orange County Transportation Authority (OCTA) – Melissa Mungia (present)**

Ms. Melissa Mungia reported that there continues to be a steady increase in OCTA's ACCESS ridership. OCTA is working with Mr. Arturo Cazares, RCOC's Associate Director of Employment, on the reopening of day programs to ensure that transportation services are available.

**VII. Member Reports**

**A. Adult Behavior Management – Hector Navarro (absent)**

**B. Adult Day Programs – Rick Perez (present)**

Mr. Rick Perez reported that the two subcommittees met virtually to discuss their staffing challenges and recruiting efforts for the reopening of in-person services. He said that he would like to see the Burns Rate Study back in the conversation.

**C. Adult Family Home Agency/Foster Family Agency (AFHA/FFA) – Mark Antenucci (present)**

Mr. Mark Antenucci reported that the subcommittee met virtually to discuss how to prepare for in-persons visits. Mr. Arturo Cazares, RCOC's Associate Director of Employment, was invited to participate in a discussion on how to prepare sites and staff for a safe reopening.

*Vendor Advisory Committee Minutes*  
*May 11, 2021*

Mr. Antenucci announced that Ms. Katherine Gurney was elected as the new subcommittee Chair and he as the Co-Chair. They will be presented to the Board of Directors for approval in June 2021.

**D. Behavior Services – Junie Lazo-Pearson (present)**

Ms. Junie Lazo-Pearson reported that CalOptima attended their meeting.

Ms. Lazo-Pearson inquired about a response to the telehealth support letter that the Board of Directors sent to DDS in December 2020. Ms. Bauer commented that it came up in the Early Intervention meeting as well; she will follow-up.

**E. Community Care Facilities (CCF) – Rebekah Hayes (absent)**

In Ms. Rebekah Hayes absence, Mr. Stanton reported that the subcommittee met and discussed how to prepare for in-person visits and meetings. They also had a presentation on the responsibilities of representative payees by Disability Rights California.

**F. Early Intervention – Tiffany Bauer (present)**

Ms. Bauer reported that their subcommittee met on April 15, 2021, and discussed asking RCOC to allow make-up hours for infant development programs. They also want to help with developmental screenings.

**G. Habilitation – Jodean Hudson (present, term begins June 1, 2021)**

Ms. Jodean Hudson introduced herself as the new subcommittee Chair as of June 2021, and reported that the subcommittee did not meet.

**H. Independent Living/Supported Living (IL/SL) – Janice Retz (absent, term ends May 31, 2021; Christine Molina (present, term begins June 1, 2021)**

In Ms. Janice Retz's absence, Ms. Christine Molina introduced herself and Ms. Ana Sandoval as the new Chair and Co-Chair as of June 2021. Ms. Molina also reported that the subcommittee will meet later today to continue their discussion on staffing challenges due to the minimum wage increases and the pandemic.

**I. Intermediate Care Facilities (ICF) – Rich Mraule (absent)**

In Mr. Rich Mraule's absence, Mr. Stanton reported that the subcommittee is scheduled to meet in June 2021.

*Vendor Advisory Committee Minutes*  
*May 11, 2021*

**J. Support Services/Allied Health – David Santana (present)**

Mr. David Santana reported that the subcommittee met and discussed rates, staffing needs and challenges. Mr. Santana also reported that their subcommittee is organizing a virtual vendor fair for new Service Coordinators sometime in July or August 2021.

**VIII. Adjournment**

Ms. Bauer adjourned the meeting at 2:42 p.m.

The next VAC meeting is scheduled for June 8, 2021.

*Recorder: Sandra Lomeli*

REGIONAL CENTER OF ORANGE COUNTY  
 BOARD OF DIRECTORS  
AGENDA ITEM DETAIL SHEET

DATE: June 3, 2021  
 TO: Board of Directors  
 FROM: Tiffany M. Bauer  
 Chair, Vendor Advisory Committee

ACTION	X
ACTION/CONSENT	
DISCUSSION	
INFO ONLY	

SUBJECT: **Approval of Vendor Advisory Committee Members**

**BACKGROUND:**

RCOC’s Board of Directors appoints the members of the Vendor Advisory Committee, pursuant to Welfare and Institutions Code §4622(i), which states:

*“The governing board shall appoint an advisory committee composed of a wide variety of persons representing the various categories of providers from which the regional center purchases client services. The advisory committee shall provide advice, guidance, recommendations, and technical assistance to the regional center board in order to assist the regional center in carrying out its mandated functions. The advisory committee shall designate one of its members to serve as a member of the regional center board.”*

**REASON FOR CURRENT ITEM:**

The following subcommittee of RCOC’s Vendor Advisory Committee met and submitted its nominations for committee membership (see attachment). Terms of membership are for two years as follows:

Membership Category	Term of Membership
<b>Adult Family Home (AFHA) / Foster Family Agency (FFA)</b> Katherine Gurney, Chair; Mark Antenucci Co-Chair	June 4, 2021 to May 31, 2023

**FISCAL IMPACT:**

None.

**RECOMMENDATIONS:**

That the Board approve the Vendor Advisory Committee members as presented.

**Attachment for Agenda Item III.J.1.**

**VENDOR ADVISORY COMMITTEE**

**NOMINATIONS FOR MEMBERSHIP**

<b><u>ADULT FAMILY HOME (AFHA) / FOSTER FAMILY AGENCY (FFA)</u></b>	
<b>Dr. Katherine Gurney, Chair</b>  Independent Options	<p>Dr. Gurney is the FHA Director for Independent Options Inc. Originally from Maine, was awarded her Doctorate in Psychology in October 2020. Dr. Gurney has been supporting individuals with developmental disabilities and mental illness for the past 13 years. Her experience includes working for the Maine Department of Health and Human Services, PSL/STRIVE Services, and the Acadia Hospital Adolescent/Young Adult inpatient programs. Dr. Gurney has always had the desire to work to make a difference in peoples' lives by providing care and support, encouraging independence and growth.</p>
<b>Mark Antenucci, Co- Chair</b>  Independent Options	<p>Mr. Antenucci is the Director of Development for Independent Options and is responsible for the development and growth of new services both in Orange and San Diego counties. He has been responsible for the development of Adult Family Home services and the overall implementation of this program within Independent Options, as well as overseeing the recent developments related to the Fairview closure for Adult Residential Facilities for People with Special Health Needs. Mr. Antenucci started his career working as direct care staff in both vocational and residential programs; he has been employed by multiple vendor agencies as well as the Regional Center of Orange County. He is an active volunteer within his community, serving as a board member on several non-profit boards. Mr. Antenucci lives by the philosophy that serving people with developmental disabilities is to do everything within his power to assist people in their pursuit to live, work, and enjoy the community in which they live.</p>

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**Regional Center of Orange County  
Peer Advisory Committee  
May 19, 2021  
Videoconference Minutes**

**Committee Members Present:** Sylvia Delgado, Chairperson  
Kerri Adamic  
Jyusse Corey, Peer Advocate  
Cheryl Day (*joined at 3:09 p.m.*)  
Steven Gersten  
Amy Jessee (*joined at 3:06 p.m.*)  
Peter Kuo  
Fernando Peña (*joined at 3:40 p.m.*)

**Committee Members Absent:** Marcell Bassett  
Yvonne Kluttz

**Board Member Present:** Chinh Nguyen

**RCOC Staff Members Present:** Larry Landauer, Executive Director  
Bonnie Ivers, Clinical Director

Ms. Sylvia Delgado called the meeting to order at 3:03 p.m.

**I. Welcome and Introductions**

Ms. Delgado welcomed everyone to the Peer Advisory Committee (PAC) meeting and asked members and guests to introduce themselves.

Mr. Jyusse Corey, RCOC's Peer Advocate, reported that Mr. Chip Wright, RCOC's Board of Directors' Chairperson, approved both Ms. Kerri Adamic and Ms. Cheryl Day's PAC membership applications.

**II. RCOC's Peer Advocate Report**

Mr. Corey reported that he continues to provide up-to-date information on CalABLE, employment and COVID-19 resources for persons served.

**III. 2·1·1 Help Line for Crisis & Emergency, Food, Housing and Health**

Mr. Corey reported that by dialing 211, Orange County residents are able to reach a free 24-hour emergency hotline linking the caller to local health and human services resources

such as mental health services, transportation and nutrition assistance. Mr. Corey also provided a virtual tour of the help lines website at [www.211oc.org](http://www.211oc.org) to demonstrate how to navigate through the various resources they provide. Committee members also shared their personal experiences with obtaining assistance from the help line.

#### **IV. Update on the 25<sup>th</sup> Annual Statewide Self-Advocacy Virtual Conference**

Mr. Corey and Ms. Delgado reported on their individual experiences while attending this year's virtual Supported Life Institute Self-Advocacy conference on Friday, May 7, 2021, from 8:30 a.m. to 4:00 p.m. Mr. Corey commented on the various conference session topics and the keynote speaker, Mr. Russell Lehmann, whose keynote speech was on "Finding Success through Struggle."

#### **V. Community Forum**

No community members were present at the meeting.

#### **VI. Other**

Committee members discussed potential topics for upcoming PAC meetings. Topics of interest included the Healthy Life, Happy Life program, mental health and the Get Safe program.

#### **VII. Next Scheduled Meeting**

The next PAC meeting is scheduled for June 16, 2021.

The meeting was adjourned at 4:00 p.m.

*Recorder: Sandra Lomelí*