

**Recording requested by and
when recorded return to:**

County of Santa Barbara
260 N. San Antonio Rd.,
Casa Nueva 2nd Floor
Santa Barbara, CA 93110

NO FEE DOCUMENT PURSUANT TO
GOVERNMENT CODE SECTION 27383

**ASSIGNMENT, ASSUMPTION OF PERFORMANCE, AND CONSENT TO
ASSIGNMENT AGREEMENT**

This Assignment, Assumption of Performance, and Consent to Assignment Agreement (the "Agreement") is entered into by and among the Transitions – Mental Health Association ("TMHA"), a California nonprofit public benefit corporation, GOOD SAMARITAN SHELTER ("Good Samaritan"), a California nonprofit public benefit corporation, and the COUNTY OF SANTA BARBARA, a political subdivision of the State of California ("County") with reference to the following:

WHEREAS, THMA owns certain real property known as Assessor Parcel Number 125-251-042, and located at 1114 S. Broadway, Santa Maria, California which is more particularly described in Exhibit A, attached to this Agreement and incorporated herein by this reference (the "Property");

WHEREAS, On June 18, 2002, the County entered into a FUNDING AGREEMENT FOR AB2034 ONE TIME HOUSING FUNDS, a copy of which is included in Exhibit B and incorporated herein by this reference (hereinafter the "Loan Agreement" as may be amended from time to time), with THMA wherein the County agreed to make a loan to THMA in the total amount of Two Hundred Fifty Thousand Dollars (\$250,000) (the "Loan") to purchase two properties secured by Instrument No. 2003-0045324 in the Official Records of the County of Santa Barbara.

WHEREAS, THMA used One Hundred Twenty-Five Thousand Dollars (\$125,000) from the Loan proceeds to purchase property at 117 W. Tunnell St., Santa Maria, California;

WHEREAS, On May 31, 2022, the County of Santa Barbara Board of Supervisors approved the substitution of collateral property, replacing the property located at 117 W. Tunnell St. with property located at 1114 S. Broadway in Santa Maria, and approved the SECOND ADDENDUM TO FUNDING AGREEMENT FOR AB2034 ONE-TIME HOUSING FUNDS, a copy of which is attached hereto as Exhibit D and incorporated herein by this reference, an Amended and Restated Promissory Note, a copy of which is attached hereto as Exhibit E and incorporated herein by this reference (hereinafter "Promissory Note"), and acceptance of a Deed of Trust recorded against the property, a copy of which is attached hereto as Exhibit F and incorporated herein by this reference.

WHEREAS, County, TMHA, and Good Samaritan desire to assign the Loan Agreement, Promissory Note, and Deed of Trust (together, hereinafter "Loan Documents") and obligations thereunder from TMHA to Good Samaritan to assure continued compliance with TMHA's

commitments under the Loan Documents; and

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties mutually agree as follows:

1. Assignment by THMA. THMA hereby assigns to Good Samaritan all rights, title, interest and obligations under the Loan Documents. The County consents to this assignment and to the transfer of the Property to Good Samaritan.

2. Acceptance of Assignment. Good Samaritan hereby accepts the above assignment and hereby assumes all of the rights, title, interest and obligations of THMA under the Loan Documents that were assigned to THMA. The County consents to this assignment and to the transfer of the Property to Good Samaritan. Any reference to THMA in the Loan Documents described above shall be deemed a reference to Good Samaritan.

3. Release of THMA. Good Samaritan and the County release THMA from all obligations imposed under any of the Loan Documents and the County agrees to THMA's release.

4. Assumption by Good Samaritan/Payment of Obligations. Notwithstanding the foregoing, Good Samaritan hereby agrees that Good Samaritan will unconditionally assume and be bound by all the rights, interests and obligations of the Loan Agreement, the Loan, the Deed of Trust and AB 2034 as if Good Samaritan had been the original party to these Loan Documents. Good Samaritan agrees that all payment obligations due to County pursuant to the Loan Documents shall be assumed by Good Samaritan.

5. Additional Insurance Requirements of Good Samaritan Shelter. Notwithstanding any requirements in the Loan Documents, Good Samaritan shall maintain insurance coverage in accordance with Exhibit G attached hereto and incorporated herein.

6. Representations. THMA hereby represents and warrants that it has not previously assigned, pledged, hypothecated or otherwise transferred any of its rights under the Loan Documents.

7. Notices. Notices to the Good Samaritan Shelter shall be sent to:

Good Samaritan Shelter
P.O. Box 5908
Santa Maria, CA 93456
Attention: Sylvia Barnard

8. No Other Amendments. Except as described above and as amended by this Assignment and Assumption of Funding Agreement, the Loan Documents shall continue unmodified and in full force and effect.

9. Effective Date. The assignment and assumption set forth above shall be effective as of the date of recordation of this Agreement in the Official Records of the County of Santa Barbara.

10. Counterparts. This Agreement may be signed by different parties hereto in counterparts with the same effect as if the signatures to each counterpart were upon a single instrument. All counterparts shall be deemed an original of this Agreement.

11. Binding Agreement. This agreement shall be binding on and inure to the benefit of respective successors and assigns of Good Samaritan.

12. California Laws. This agreement shall be governed by the laws of the State of California.

13. EXHIBITS. The exhibits attached hereto are incorporated herein by reference:

- Exhibit A: Property Description
- Exhibit B: Funding Agreement
- Exhibit C: First Addendum to Funding Agreement
- Exhibit D: Second Addendum to Funding Agreement
- Exhibit E: Promissory Note
- Exhibit F: Deed of Trust
- Exhibit G: Indemnification and Insurance Requirements

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date executed by County.

GOOD SAMARITAN SHELTER,
a California nonprofit public benefit corporation

By: _____

Its: _____
(Signature must be notarized)

TRANSITIONS – MENTAL HEALTH ASSOCIATION,
a California nonprofit public benefit corporation

By: _____


Its: _____
(Signature must be notarized)

COUNTY:

COUNTY OF SANTA BARBARA, a political subdivision of the State of California

ATTEST
MONA MIYASATO
CLERK OF THE BOARD

By: 
Bob Nelson
Chair, Board of Supervisors

By: 
Sheila De La Guerra
Deputy Clerk

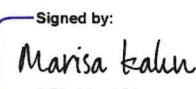
Date: 3-10-26

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL



Signed by:
By: 
Tyler Sprague
Deputy County Counsel

APPROVED AS TO FORM:
RISK MANAGEMENT

Signed by:
By: 
Marisa Kahn

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of SANTA BARBARA

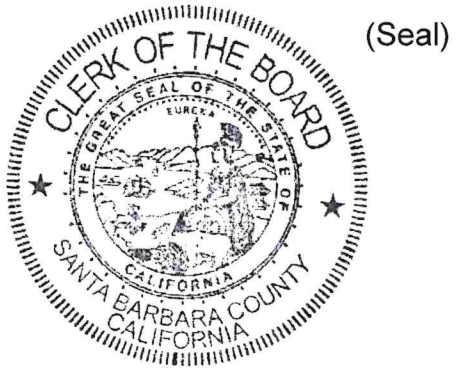
On, March 10, 2026 before me, Sheila de la Guerra, a Deputy Clerk, personally appeared SUPERVISOR BOB NELSON, CHAIR OF THE BOARD OF SUPERVISORS, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


Sheila de la Guerra
Signature Sheila de la Guerra

California Civil Code section 1189



IN WITNESS WHEREOF, the parties have executed this Agreement as of the date executed by County.

GOOD SAMARITAN SHELTER,
a California nonprofit public benefit corporation

By: 
Its: CEO
(Signature must be notarized)

TRANSITIONS – MENTAL HEALTH ASSOCIATION,
a California nonprofit public benefit corporation

By: _____
Its: _____
(Signature must be notarized)

COUNTY:

COUNTY OF SANTA BARBARA, a political
subdivision of the State of California

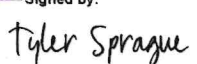
ATTEST
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Sheila De La Guerra
Deputy Clerk

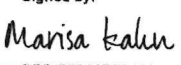
By: _____
Bob Nelson
Chair, Board of Supervisors

Date: _____

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

Signed by:
By: 
Tyler Sprague
Deputy County Counsel

APPROVED AS TO FORM:
RISK MANAGEMENT

Signed by:
By: 
Marisa Kahn

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date executed by County.

GOOD SAMARITAN SHELTER,
a California nonprofit public benefit corporation

By: _____

Its: _____
(Signature must be notarized)

TRANSITIONS – MENTAL HEALTH ASSOCIATION,
a California nonprofit public benefit corporation

By: *[Handwritten Signature]*

Its: Executive Director
(Signature must be notarized)

COUNTY:

COUNTY OF SANTA BARBARA, a political
subdivision of the State of California

ATTEST
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Sheila De La Guerra
Deputy Clerk

By: _____
Bob Nelson
Chair, Board of Supervisors

Date: _____

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

Signed by:
By: *Tyler Sprague*
Tyler Sprague
Deputy County Counsel

APPROVED AS TO FORM:
RISK MANAGEMENT

Signed by:
By: *Marisa Kahn*
Marisa Kahn

State of California

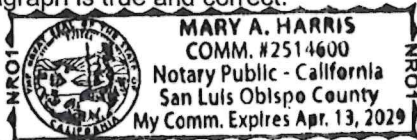
County of San Luis Obispo

On February 24, 2026 before me Mary A. Harris, Notary Public

personally appeared Jill Bolster - White

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.



Place Notary Seal Above

WITNESS my hand and official seal.

Mary A. Harris

Signature of Notary Public

State of California

County of _____

On _____ before me _____

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Barbara)

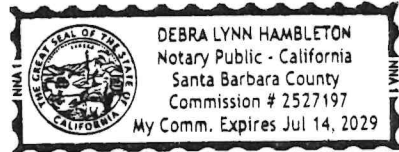
On February 24, 2026 before me, Debra Lynn Hambleton
(insert name and title of the officer)

personally appeared Sylvia Barnard,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



**EXHIBIT A
LEGAL DESCRIPTION**

That certain real property in the City of Santa Maria, County of Santa Barbara, State of California described as Lot 11 of Palm Court, an addition to the city of Santa Maria, in the city of Santa Maria, County of Santa Barbara, State of California, as per Map recorded in Book 9, Page 96 of Maps, in the Office of the County Recorder of said County.

APN #125-251-042

Attachment B
Funding Agreement

AGREEMENT

FUNDING AGREEMENT FOR AB2034 ONE TIME HOUSING FUNDS
BETWEEN

THE COUNTY OF SANTA BARBARA
AND
Transitions Mental Health Association

THIS AGREEMENT is made by and between the

COUNTY OF SANTA BARBARA, a political subdivision of the State of California,
hereinafter referred to as "**COUNTY**"; and

Transitions Mental Health Association hereinafter referred to as
"**CONTRACTOR**"

with reference to the following:

WHEREAS, in October, 2001 the **COUNTY** Department of Alcohol, Drugs, and
Mental Health Services (ADMHS) issued a Request for Application's (RFA) soliciting
proposals for the use of up to \$500,000 (\$250,000 each, North and South **COUNTY**) of
one-time housing funds received through the AB2034 Grant (hereinafter referred to as
AB2034) awarded in year 2000 to ADMHS, to develop or acquire affordable housing for
mentally ill persons; and

WHEREAS, **CONTRACTOR** submitted a proposal pursuant to the **COUNTY'S** RFA
to ADMHS (**COUNTY**); and

WHEREAS, **COUNTY'S** ADMHS Department approved **CONTRACTOR'S**
proposed project for the use of the requested AB2034 monies.

NOW, THEREFORE, in consideration of the premises, promises, covenants and
conditions herein contained, **COUNTY** and **CONTRACTOR** hereby agree as follows:

1. PROJECT DESCRIPTION; AMOUNT AND USE OF AB2034 FUNDS

- A. Subject to the terms and conditions contained in this Agreement, **COUNTY** agrees
to provide to **CONTRACTOR** a 30 year elimination loan of AB2034 one -time
housing funds in a total amount not to exceed two hundred and fifty thousand dollars
(\$250,000), to assist **CONTRACTOR** in purchasing housing stock in Santa Maria
(herein after referred to as the Project.) The funds will be used for the down-
payment, closing costs and loan origination fees on two single family homes; one
property has already been identified and is a four bedroom house located at 1418 S.
Raven Court in Santa Maria. The second property will be identified and placed into
escrow within one month of the execution of this agreement and a more specific
description of the Project shall be set forth in Exhibit A (to be developed once
project(s) are defined and selected). The Project shall provide a minimum total of 6
beds for use and occupancy as set forth in Paragraph 3 herein. This funding

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assistance shall be subject to a contingent grant repayment obligation, in accordance with Section 4 herein.

- B. Up to 5%, or \$12,500, of the total amount of AB2034 funds available to **CONTRACTOR** pursuant to this Agreement may be used for out-of-pocket Project financing/escrow costs such as loan application fees, property appraisal and inspection fees, and the earnest money deposit to open escrow, and **CONTRACTOR** staff and administrative costs incurred in packaging the Project, provided however, that no more than \$10,000 in AB2034 funds shall be used for said staff and administrative costs. The balance of the AB2034 funds shall be applied towards the equity, down payment or property rehabilitation (to bring housing up to HUD standards for the Public Housing & Section 8 Rental Assistance Programs), and/or appliance purchase (including range, refrigerator, washer and dryer) required to purchase and convert the Project property.
- C. AB2034 monies provided to **CONTRACTOR** pursuant to this Agreement shall be used exclusively for the purposes expressly authorized herein. If, at any time within applicable statutory periods of limitation, it is determined by **COUNTY** that the funds provided under the terms of this Agreement have been used by or on behalf of **CONTRACTOR** in a manner or for a purpose not expressly authorized by this Agreement, **CONTRACTOR** shall, at **COUNTY'S** request, pay immediately to **COUNTY** an amount equal to one hundred ten percent (110%) of any amount expended in violation thereof, together with all of **COUNTY'S** costs of collection, including attorneys' fees, if any.
2. TERM OF COUNTY AB2034 ONE-TIME HOUSING FUNDS COMMITMENT

The term of the **COUNTY'S** commitment to reserve/provide AB2034 one-time housing funds to **CONTRACTOR** as provided herein shall be from [closing date of escrow to and including June 30, 2032], subject to extension and termination as hereinafter provided. This term may be extended by letter agreement executed by and between **CONTRACTOR** and the Director of the **COUNTY** ADMHS Department. Upon extension, all of the other terms and conditions of the this Agreement shall remain in full force and effect.

In the event that **CONTRACTOR** is unable to comply with the conditions prerequisite to the **COUNTY'S** disbursement of the AB2034 monies for the purchase/conversion of the project as provided in this Agreement, or any extensions thereof, this Agreement shall terminate and be of no further force and effect.

3. PROJECT OCCUPANCY AND AFFORDABILITY REQUIREMENTS

A. For the purposes of this Section, the following terms and definitions shall apply:

1. "Very Low-Income Client" - A "Very Low-Income Client" is a client whose annual gross income does not exceed the Supplemental Security Income (SSI) annual allowance as established and periodically revised by the Social Security Administration.

AGREEMENT

2. "Low-Income Client" - A "Low-Income Client" is a client whose annual gross income does not exceed fifty percent (50%) of the **COUNTY'S** median income figure for a one-person household, as established and periodically revised by the U.S. Department of Housing and Urban Development (HUD) for the Public Housing and Section 8 Rental Assistance Programs.
 3. "Affordable Rents" -The maximum affordable rent levels are established on a per unit or room, rather than a per person, basis. "Affordable Rents" for very low-income units shall not exceed thirty percent (30%) of the **COUNTY'S** adopted [monthly] income figures for very low-income households as established for each household size, and for low-income units shall not exceed the applicable Fair Market Rent (FMR) based on unit size as established and periodically revised by HUD pursuant to the Section 8 Certificate Program.
 4. Supported Housing Initiative Act (SHIA) – A client enrolled in the SHIA grant program during the remaining grant term of 7/1/02 – 6/30/04.
- B. **CONTRACTOR** agrees that project occupancy and affordability requirements as set forth herein shall remain in effect for a period of no less than thirty (30) years from the closing date of escrow for the purchase of the Project site by **CONTRACTOR**.
- C. As **COUNTY**-approved revised income limits and affordable rents are released, but not more frequently than once per year, **CONTRACTOR** may, upon notification to ADMHS, adjust Project rents in accordance with effective **COUNTY** standards and requirements. Under no circumstances, however, shall Project rents be increased or decreased by more than ten percent (10%) for any given one-year period.
- D. **CONTRACTOR** agrees that the Project shall be maintained and operated as a rental housing project in accordance with the terms of this Agreement, and that all of the project units/beds shall be occupied by mentally ill adult clients of **COUNTY** and **CONTRACTOR** as follows:
1. SHIA enrolled clients will have priority access to a minimum of 6 beds during the remainder of the grant term 7/1/02 – 6/30/04.
 2. In the event that the Department is unable to refer an eligible **COUNTY** client to occupy a **COUNTY**-reserved Project bed for a period of thirty (30) days or more after said bed becomes vacant or available for occupancy, then **CONTRACTOR** may make said bed available for occupancy by a mentally disordered **CONTRACTOR** client who is income-eligible as provided above. In the event that neither the **COUNTY** nor **CONTRACTOR** is able to refer an eligible client to occupy a Project bed for a period of sixty (60) days, then **CONTRACTOR** may make said bed available for occupancy by any very low- or low-income person.
- E. Pursuant to the foregoing project affordability and occupancy requirements, **CONTRACTOR** shall establish written procedures for reviewing client incomes and determining client eligibility to reside at the project. Such procedures shall be reviewed and approved by the ADMHS Department prior to implementation.

AGREEMENT

4. CONTINGENT GRANT REPAYMENT OBLIGATION

- A. In the event that during the thirty (30)-year period commencing on the closing date of escrow for the subject purchase of the project site by **CONTRACTOR**, **CONTRACTOR** fails to comply with the affordability and occupancy requirements set forth in Section 3 herein, or disposes of its interest in the project, then **CONTRACTOR** shall, upon written demand by **COUNTY**, reimburse **COUNTY** for the total AB2034 one-time housing funds grant amount provided to **CONTRACTOR** pursuant to this Agreement.
- B. **CONTRACTOR** shall execute a promissory note in the grant amount and shall secure such note by a recorded Deed of Trust and Assignment of Rents or a letter of credit or other security instrument acceptable to and approved by County Counsel prior to release of funds to **CONTRACTOR**. The **COUNTY** agrees to subordinate its security interest in the project property to other project lender(s) if required as a condition of securing other necessary financing.
- C. The parties hereto agree that the contingent repayment obligation set forth above is a remedy to be elected in the discretion of **COUNTY**, and that it shall be in addition to, and not in lieu of any other remedy to which **COUNTY** may be entitled at law or in equity. Specifically, **CONTRACTOR** agrees that an action at law would be inadequate to achieve the objectives of **COUNTY** in entering into this Agreement, and that **COUNTY** shall be entitled to specific enforcement in equity of the provisions of this Agreement.
- D. Anything herein to the contrary notwithstanding, at the conclusion of the thirty (30)-year period set forth above, if not earlier repaid, and provided that there is no action pending at law or in equity regarding enforcement of the terms and conditions of this Agreement, this conditional grant repayment obligation shall terminate, and the grant referred to in Section 1 herein shall become fully vested.

5. METHOD AND CONDITIONS FOR DISBURSEMENT OF FUNDS TO CONTRACTOR

Disbursements to **CONTRACTOR** of the funds provided for in Section 1 herein, shall be made in accordance with the following procedures and subject to the following conditions:

A. AB2034 Funds for Project Packaging/Escrow Expenses

1. In order to receive payment or reimbursement from the **COUNTY** for out-of-pocket Project escrow and/or financing-related expenditures to be funded with AB2034 funds, **CONTRACTOR** shall request and obtain pre-approval of such expenditures from the Director for the **COUNTY** ADMHS Department, or his designee, of any AB2034 expenditures for out-of-pocket Project escrow and/or financing costs as a prerequisite to **COUNTY** payment or reimbursement of said expenditures.

AGREEMENT

2. **CONTRACTOR** shall submit to the Director for the **COUNTY ADMHS** Department, an invoice or certified claim on the County Treasury for approved Project packaging/escrow expenditures, itemizing each expenditure for which payment is requested. Said claim shall have attached thereto copies of invoices and receipts, as applicable, substantiating the claimed expenses.

B. AB2034 Funds for Project Purchase

1. At least fourteen (14) days' prior to the scheduled close of escrow date for the transfer of the Project property, **CONTRACTOR** shall file with the Director of the **COUNTY ADMHS** Department, or his designee, an invoice or certified claim on the County Treasury funds. Said claim shall have attached thereto a copy of the Escrow Statement or Save Agreement substantiating property acquisition costs for which claim is being made.
2. Upon **COUNTY'S** approval of said claim, a warrant for said purchase funds shall be issued to **CONTRACTOR** by **COUNTY** one (1) day prior to the scheduled closing date of escrow and shall be directly and immediately deposited by **CONTRACTOR** into the escrow account established for said transaction. In the event that escrow does not close as scheduled, said warrant may be held undeposited by the escrow officer assigned to the subject purchase until the subsequent close of escrow or until such time as the **COUNTY** requests **CONTRACTOR** in writing to return said warrant. In the event that acquisition of the Project property by **CONTRACTOR** does not occur as provided herein or as on escrow statement(s) submitted to **COUNTY**, **CONTRACTOR** shall immediately return said warrant (funds) to the **COUNTY**.

6. NON-ASSIGNABILITY

This Agreement is not transferable or assignable, in whole or in part, by **CONTRACTOR** without the prior written consent of the **COUNTY** Board of Supervisors. Any attempted or actual assigning by **CONTRACTOR** without such **COUNTY** consent shall be void and shall, at the option of the **COUNTY**, terminate this Agreement.

7. REPORTING BY CONTRACTOR

- A. From the date of execution of this Agreement until the purchase of the Project property by **CONTRACTOR** is completed as provided above, **CONTRACTOR** agrees to submit to the Director for the **COUNTY ADMHS** Department, or his designee, monthly reports, due by the first day of each calendar month beginning with **June 1, 2002**. Said monthly report shall:
 1. Describe **CONTRACTOR'S** progress in consummating the subject property purchase and implementing the Project, including subsequent actions to be taken; [completing milestones] and
 2. Provide an expenditure/budget status report on the Project packaging funds.

AGREEMENT

- B. Upon the close of escrow for the subject purchase, **CONTRACTOR** agrees to submit to the **COUNTY** ADMHS Department a monthly report, due on the first of every month. Said monthly report shall:
1. Document compliance with the occupancy requirements as forth in Section 3 herein; and
 2. Delineate, for the pending year, the unit-by-unit rent schedule for the project as adopted by **CONTRACTOR**, and shall specify the percentage, if any, by which the project rents have been increased over the previous year's rents. Said report shall include a statement, signed by a duly authorized representative of **CONTRACTOR**, certifying that said rent schedule is in accordance with the affordability requirements set forth in Section 3; and
 3. Describe the project management and maintenance plan for the past and coming year, and set forth the project budget for the coming year.
 4. Document both the number of vacancy and occupancy days for the prior monthly period for each unit.
 5. Listing of names of each resident and beginning date of residency.
 6. Amount of security deposit charged each resident; any deposit refunds, amounts, and amount of any deposit funds withheld, including reason(s).

8. Audit of Project Records

The **COUNTY** shall have the right to audit and review all records maintained by **CONTRACTOR** pertinent to the project pursuant to the terms of this Agreement. Any such audit and review may be conducted at any time during regular business hours, upon reasonable advance notice by **COUNTY** to **CONTRACTOR**.

9. Audited Financial Report

The **CONTRACTOR** shall submit to **COUNTY** a copy of their annual financial statement. This report shall be submitted within thirty (30) days after the report is received by **CONTRACTOR** from the auditor.

10. Property Insurance

At all times upon purchasing the Project property, and throughout the term of this agreement, **CONTRACTOR** shall maintain in full force and effect a policy of fire and extended coverage insurance on the Project, which insurance shall be with insurer and under forms of policies satisfactory to **COUNTY** and shall provide that notice be given to **COUNTY** at least thirty (30) days prior to cancellation or material change. **CONTRACTOR** shall file with the **COUNTY** Risk Manager a certified copy of said policy, and any attachments, renewals, or amendments thereto.

AGREEMENT

11. Termination of Agreement/Notices

- A. **COUNTY** shall have the right to terminate this Agreement immediately if **COUNTY** determines that **CONTRACTOR** has incurred obligations or made expenditures from the AB2034 loan for purposes which are not permitted or which are prohibited under the terms of this Agreement. **COUNTY** shall also have the right to terminate this Agreement immediately if **COUNTY** determines that **CONTRACTOR** is conducting the Project in violation of any of the terms of this Agreement, or has filed a petition in bankruptcy, or for receivership or reorganization, or has filed any other petition under the Bankruptcy Act or has taken or committed any act preparatory to the filing of any such petition or has become or is insolvent or has committed any other act of bankruptcy or insolvency.
- B. **CONTRACTOR** may, for any reason, prior to the expiration date of the term of commitment, set forth in Section 2 herein, and any renewals thereof, have the right to cancel and terminate this Agreement upon sixty (60) days notice in writing to the **COUNTY**.
- C. Upon a material breach of the terms and conditions of this Agreement by one of the parties, this Agreement may be terminated upon the mailing of a written notice of termination by the other party. Any such written notice shall be sufficient if sent by registered mail postage prepaid, as the case may be, to:
1. To **COUNTY**:
Director
Santa Barbara County
Alcohol, Drug and Mental Health Services
300 N. San Antonio Road
Santa Barbara, CA 93110
 2. To **CONTRACTOR**:
Transitions Mental Health Association
Jill Bolster-White
P.O. Box 15408
San Luis Obispo, CA 93406
 3. Or, at such other address, or to such other person, that the parties may from time-to-time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the United States mail.

AGREEMENT

12. THIS AGREEMENT INCLUDES:

- A. EXHIBIT A – Description of Project property and floor plan
- B. EXHIBIT B – Standard Indemnification and Insurance Provisions

RC02-180
A-3
C052

AGREEMENT

Agreement for Services of Independent **CONTRACTOR** between the County of Santa Barbara and Transitions Mental Health Association.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by **COUNTY**.

COUNTY OF SANTA BARBARA

By: [Signature]
Chair, Board of Supervisors
Date: 6-18-02

CONTRACTOR

By: [Signature]
Tax Id No 95-3509040.

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: [Signature]
Deputy

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

By: [Signature] Deputy
County Counsel

APPROVED AS TO ACCOUNTING
FORM:
ROBERT W GEIS, CPA
AUDITOR-CONTROLLER

By: [Signature]
Deputy

APPROVED AS TO FORM:
ALCOHOL, DRUG, AND MENTAL HEALTH
SERVICES
JAMES L. BRODERICK, Ph.D.
DIRECTOR

By: [Signature]
Director

APPROVED AS TO FORM:
JOHN A. FORNER
RISK ANALYST, SENIOR

By: [Signature]

EXHIBIT B
STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS

1. INDEMNIFICATION

A Indemnification pertaining to other than Professional Services:

1. **CONTRACTOR** shall defend, indemnify and save harmless the **COUNTY**, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgements or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the **CONTRACTOR** or his agents or employees or other independent contractors directly responsible to him; except those claims, demands, damages, costs, expenses (including attorney's fees), judgements or liabilities resulting from the sole negligence or willful misconduct of the **COUNTY**.
2. **CONTRACTOR** shall notify the **COUNTY** immediately in the event of any accident or injury arising out of or in connection with this Agreement.

2. INSURANCE

A Without limiting the **CONTRACTOR'S** indemnification of the **COUNTY**, **CONTRACTOR** shall procure the following required insurance coverages at its sole cost and expense. All insurance coverages are to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of the **COUNTY**. Such insurance coverage shall be maintained during the term of this Agreement. Failure to comply with the insurance requirements shall place **CONTRACTOR** in default. Upon request by the **COUNTY**, **CONTRACTOR** shall provide a certified copy of any insurance policy to the **COUNTY** within ten (10) working days.

1. **Workers' Compensation Insurance:** Statutory Workers' Compensation and Employers Liability Insurance shall cover all **CONTRACTOR'S** staff while performing any work incidental to the performance of this Agreement. The policy shall provide that no cancellation, or expiration or reduction of coverage shall be effective or occur until at least thirty (30) days after receipt of such notice by the **COUNTY**. In the event **CONTRACTOR** is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by the Department of Industrial Relations for the State of California. This provision does not apply if **CONTRACTOR** has no employees as defined in Labor Code Section 3350 et seq. during the entire period of this Agreement and **CONTRACTOR** submits a written statement to the **COUNTY** stating that fact.
2. **General and Automobile Liability Insurance:** The general liability insurance shall include bodily injury, property damage and personal injury liability coverage, shall afford coverage for all premises, operations, products and completed operations of **CONTRACTOR** and shall include contractual liability coverage sufficiently broad so as to include the insurable liability assumed by the **CONTRACTOR** in the indemnity and hold harmless provisions [above] of the Indemnification Section of this Agreement between **COUNTY** and

EXHIBIT B
STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS

CONTRACTOR. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles that are operated on behalf of **CONTRACTOR** pursuant to **CONTRACTOR'S** activities hereunder. **CONTRACTORS** shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. **COUNTY**, its officers, agents, and employees shall be Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the policy has been changed to reflect the Additional Insured status must be attached to the certificate of insurance. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Any deductible or Self-Insured Retention {SIR} over \$10,000 requires approval by the **COUNTY**.

Said policy or policies shall include a severability of interest or cross liability clause or equivalent wording. Said policy or policies shall contain a provision of the following form:

"Such insurance as is afforded by this policy shall be primary and non-contributory to the full limits stated in the declarations, and if the COUNTY has other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only."

If the policy providing liability coverage is on a 'claims-made' form, the **CONTRACTOR** is required to maintain such coverage for a minimum of three years following completion of the performance or attempted performance of the provisions of this agreement. Said policy or policies shall provide that the **COUNTY** shall be given thirty (30) days written notice prior to cancellation or expiration of the policy or reduction in coverage.

- B** **CONTRACTOR** shall submit to the office of the designated **COUNTY** representative certificate(s) of insurance documenting the required insurance as specified above prior to this Agreement becoming effective. **COUNTY** shall maintain current certificate(s) of insurance at all times in the office of the designated County representative as a condition precedent to any payment under this Agreement. Approval of insurance by **COUNTY** or acceptance of the certificate of insurance by **COUNTY** shall not relieve or decrease the extent to which the **CONTRACTOR** may be held responsible for payment of damages resulting from **CONTRACTOR'S** services of operation pursuant to the contract, nor shall it be deemed a waiver of **COUNTY'S** rights to insurance coverage hereunder.
- C** In the event the **CONTRACTOR** is not able to comply with the **COUNTY'S** insurance requirements, **COUNTY** may, at their sole discretion and at the **CONTRACTOR'S** expense, provide compliant coverage.

EXHIBIT B
STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS

- D The above insurance requirements are subject to periodic review by the **COUNTY**. The **COUNTY'S** Risk Manager is authorized to change the above insurance requirements, with the concurrence of County Counsel, to include additional types of insurance coverage or higher coverage limits, provided that such change is reasonable based on changed risk of loss or in light of past claims against the **COUNTY** or inflation. This option may be exercised during any amendment of this Agreement that results in an increase in the nature of **COUNTY'S** risk and such change of provisions will be in effect for the term of the amended Agreement. Such change pertaining to types of insurance coverage or higher coverage limits must be made by written amendment to this Agreement. **CONTRACTOR** agrees to execute any such amendment within thirty (30) days of acceptance of the amendment or modification.

Attachment C
**First Addendum to Funding
Agreement**

FIRST ADDENDUM TO
FUNDING AGREEMENT FOR AB2034 ONE-TIME HOUSING FUNDS
BETWEEN
THE COUNTY OF SANTA BARBARA
AND
TRANSITIONS-MENTAL HEALTH ASSOCIATION

THIS IS AN ADDENDUM TO THE FUNDING AGREEMENT FOR AB2034 ONE-TIME HOUSING FUNDS (the “ FUNDING AGREEMENT”) by and between the COUNTY OF SANTA BARBARA, a political subdivision of the State of California, hereinafter referred to as “COUNTY”; and TRANSITIONS MENTAL HEALTH ASSOCIATION, hereinafter referred to as “CONTRACTOR”, with reference to the following:

WHEREAS, CONTRACTOR AND COUNTY entered into a FUNDING AGREEMENT on June 18, 2002 for the provision of a minimum total of 6 beds for use and occupancy by low income clients by CONTRACTOR in return for AB2034 funding from the County; and

WHEREAS, CONTRACTOR secured the AB2034 funding referenced in said FUNDING AGREEMENT with two properties, 1418 S. Raven Court in Santa Maria, CA (“Raven Court”) and 117 W. Tunnell St. (“Tunnell St.”) in Santa Maria, CA; and

WHEREAS, CONTRACTOR has continuously fulfilled its obligation to provide a minimum total of 6 beds for use and occupancy as set forth in the FUNDING AGREEMENT; and

WHEREAS, CONTRACTOR sold the Raven Court home and replaced that property with a like-kind property located at 613 N. Curryer, Santa Maria, CA (“Curryer St.”); and

WHEREAS, COUNTY and CONTRACTOR desire to transfer the security for the AB2034 funding from the Raven Court property to the Curryer St. property; and

WHEREAS, said transfer will assure continued compliance with the CONTRACTOR’S commitments under the FUNDING AGREEMENT; and

NOW THEREFORE, COUNTY AND CONTRACTOR agree as follows:

1. The FUNDING AGREEMENT dated June 18, 2002 will remain in full force and effect except as changed via this FIRST ADDENDUM to the FUNDING AGREEMENT; and
2. The obligations described in the FUNDING AGREEMENT as applicable to the Raven Court property now apply to the Curryer St. property; and

3. The reporting requirements under Section 7 of the FUNDING AGREEMENT will be consolidated with other performance reports submitted by CONTRACTOR to COUNTY. CONTRACTOR agrees to submit quarterly reports that include the required elements described in Section 7 of the FUNDING AGREEMENT as part of its Quarterly Programmatic Reports submitted to COUNTY on January 25, April 25, July 25 and October 25.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties have executed this First Addendum to be effective _____, 2019.

COUNTY OF SANTA BARBARA:

By: _____
STEVE LAVAGNINO, CHAIR
BOARD OF SUPERVISORS

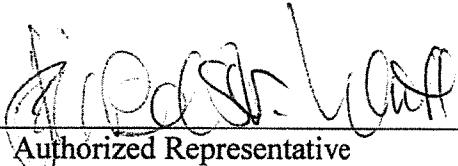
Date: _____

ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____
Deputy Clerk

Date: _____

CONTRACTOR:
TRANSITIONS MENTAL HEALTH
ASSOCIATION

By:  _____
Authorized Representative

Name: Jill Bolster-White

Title: Executive Director

Date: 2/20/19

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

By: _____
Deputy

RECOMMENDED FOR APPROVAL:
ALICE GLEGHORN, PH.D., DIRECTOR
DEPARTMENT OF BEHAVIORAL
WELLNESS

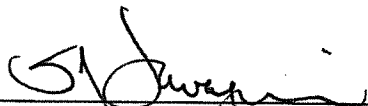
By: _____
Director

APPROVED AS TO INSURANCE FORM:
RAY AROMATORIO
RISK MANAGEMENT

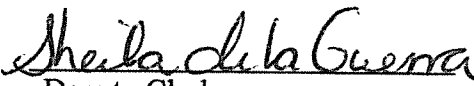
By: _____
Risk Management

IN WITNESS WHEREOF, the parties have executed this First Addendum to be effective _____, 2019.

COUNTY OF SANTA BARBARA:

By: 
STEVE LAVAGNINO, CHAIR
BOARD OF SUPERVISORS
Date: 3-19-19


ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: 
Deputy Clerk
Date: 3-19-19


CONTRACTOR:
TRANSITIONS MENTAL HEALTH
ASSOCIATION

By: _____
Authorized Representative
Name: Jill Bolster-White
Title: Executive Director
Date: _____

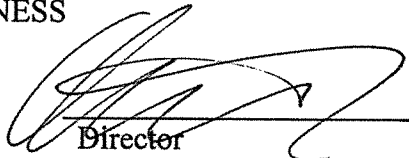
APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: 
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

By: 
Deputy

RECOMMENDED FOR APPROVAL:
ALICE GLEGHORN, PH.D., DIRECTOR
DEPARTMENT OF BEHAVIORAL
WELLNESS

By: 
Director

APPROVED AS TO INSURANCE FORM:
RAY AROMATORIO
RISK MANAGEMENT

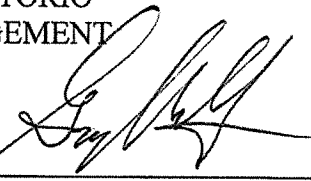
By: 
Risk Management

EXHIBIT D
SECOND ADDENDUM TO FUNDING AGREEMENT

SECOND ADDENDUM TO
FUNDING AGREEMENT FOR AB2034 ONE-TIME HOUSING FUNDS
BETWEEN
THE COUNTY OF SANTA BARBARA
AND
TRANSITIONS-MENTAL HEALTH ASSOCIATION

THIS IS THE SECOND ADDENDUM TO THE FUNDING AGREEMENT FOR AB2034 ONE-TIME HOUSING FUNDS (the "FUNDING AGREEMENT") by and between the COUNTY OF SANTA BARBARA, a political subdivision of the State of California, hereinafter referred to as "COUNTY"; and TRANSITIONS - MENTAL HEALTH ASSOCIATION, hereinafter referred to as "CONTRACTOR", with reference to the following:

WHEREAS, CONTRACTOR and COUNTY entered into a FUNDING AGREEMENT on June 18, 2002 for the provision of a minimum total of 6 beds for use and occupancy by low income clients by CONTRACTOR in return for AB2034 funding from the County; and

WHEREAS, CONTRACTOR secured the AB2034 funding referenced in said FUNDING AGREEMENT with two properties, 1418 S. Raven Court in Santa Maria, CA ("Raven Court") and 117 W. Tunnell St. ("Tunnell St.") in Santa Maria, CA; and

WHEREAS, CONTRACTOR has continuously fulfilled its obligation to provide a minimum total of 6 beds for use and occupancy as set forth in the FUNDING AGREEMENT; and

WHEREAS, CONTRACTOR sold the Raven Court property and replaced that property with a like-kind property located at 613 N. Curryer, Santa Maria, CA ("Curryer St."); and

WHEREAS, COUNTY accepted on March 19, 2019 the Curryer St. property as substitute collateral; and

WHEREAS, CONTRACTOR wishes to sell the Tunnell St. property and replace that property as collateral with a like-kind property located at 1114 S. Broadway, Santa Maria, CA ("Broadway"); and

WHEREAS, COUNTY and CONTRACTOR desire to modify the security for the AB2034 funding to release the Tunnell St. Property as collateral and replace it with the Broadway Property; and

WHEREAS, said transfer will assure continued compliance with the CONTRACTOR'S commitments under the FUNDING AGREEMENT.

NOW THEREFORE, COUNTY AND CONTRACTOR agree as follows:

1. The FUNDING AGREEMENT dated June 18, 2002 will remain in full force and effect except as changed via the FIRST ADDENDUM to the FUNDING AGREEMENT effective on March 19, 2019 and this SECOND ADDENDUM effective on May 24, 2022.
2. All references to the COUNTY Department of Alcohol, Drugs, and Mental Health Services or ADMHS in the FUNDING AGREEMENT are revised to reflect a name change to COUNTY Department of Behavioral Wellness or Behavioral Wellness.
3. The "second property" referenced in Section 1 (Project Description; Amount and Use of AB2034 Funds) of the FUNDING AGREEMENT is now identified as certain real property commonly described as 1114 S. Broadway, Santa Maria, CA. The obligations described in the FUNDING AGREEMENT as applicable to the then-unidentified second property now apply to the Broadway property.
4. The FUNDING AGREEMENT is amended to add a new Section 7a (Additional Reporting by Contractor) as follows:
 - a. **Additional Reporting by Contractor.** CONTRACTOR shall maintain records and make statistical reports as required by COUNTY and Department of Health Care Services (DHCS) on forms provided by or acceptable to the requesting agency. In addition to reports required under this Agreement, upon COUNTY'S request, CONTRACTOR shall make additional reports or provide other documentation as required by COUNTY concerning CONTRACTOR'S activities as they affect the services hereunder. COUNTY will be specific as to the nature of information requested and allow thirty (30) days for CONTRACTOR to respond.
5. The FUNDING AGREEMENT is amended to add a new Section 12 (Compliance With HIPAA) and Section 13 (Confidentiality); and the existing Section 12 (THIS AGREEMENT INCLUDES) is renumbered as Section 14 as follows:

12. Compliance With HIPAA.

CONTRACTOR is expected to adhere to Health Insurance Portability and Accountability Act (HIPAA) regulations and to develop and maintain comprehensive patient confidentiality policies and procedures, provide annual training of all staff regarding those policies and procedures, and demonstrate reasonable effort to secure written and/or electronic data. The parties should anticipate that this Agreement will be modified as necessary for full compliance with HIPAA.

13. Confidentiality.

- A. CONTRACTOR, its employees, agents, or subcontractors agree to maintain the confidentiality of patient records pursuant to: Title 42 United State Code (USC) Section 290 dd-2; Title 42 Code of Federal Regulations (C.F.R.), Part 2; Title 42 C.F.R. Section 438.224; 45 C.F.R. Section 96.132(e), 45 C.F.R. Parts 160, 162, and 164; Title 22 California Code of Regulations (CCR) Section 51009; Welfare & Institutions Code (W&IC) Section 5328 et seq. and Section 14100.2; Health and Safety Code (HSC) Sections 11812 and 11845.5; Civil Code Sections 56 – 56.37, 1798.80 – 1798.82, and 1798.85; and Section 12 (Compliance with HIPAA) of this Agreement, as applicable. Patient records must comply with all appropriate State and Federal requirements.
- B. CONTRACTOR shall ensure that no list of persons receiving services under this Agreement is published, disclosed, or used for any purpose except for the direct administration of services under this Agreement or other uses authorized by law that are not in conflict with requirements for confidentiality contained in the preceding codes.

14. THIS AGREEMENT INCLUDES:

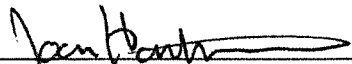
- A. EXHIBIT A- Description of Project property and floor plan
- B. EXHIBIT B - Standard Indemnification and Insurance Provisions

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE

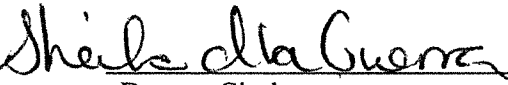
IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

COUNTY OF SANTA BARBARA:

By: 
JOAN HARTMANN, CHAIR
BOARD OF SUPERVISORS
Date: 5-31-22

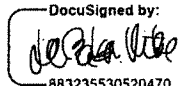
ATTEST:

MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: 
Deputy Clerk
Date: 5-31-22

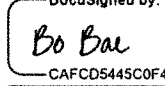
CONTRACTOR:

TRANSITIONS - MENTAL HEALTH
ASSOCIATION

By: 
883235530520470...
Authorized Representative
Name: Jill Bolster-White
Title: Executive Director
Date: _____

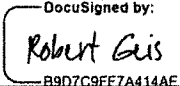
APPROVED AS TO FORM:

RACHEL VAN MULLEM
COUNTY COUNSEL

By: 
CAFC05445C0F408...
Deputy County Counsel

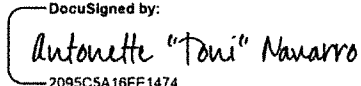
APPROVED AS TO ACCOUNTING FORM:

BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

By: 
B9D7C9EE7A414AE...
Deputy

RECOMMENDED FOR APPROVAL:

ANTONETTE NAVARRO, LMFT,
DIRECTOR
DEPARTMENT OF BEHAVIORAL
WELLNESS

By: 
2095C5A16FE1474...
Director

APPROVED AS TO INSURANCE FORM:

GREG MILLIGAN, ARM
RISK MANAGER

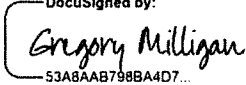
By: 
53A8AAB798BA4D7...
Risk Manager

EXHIBIT E
PROMISSOYR NOTE

AMENDED AND RESTATED PROMISSORY NOTE
SECURED BY DEED OF TRUST (BROADWAY)
(Contingent Obligation to Pay)

\$125,000

May 31, 2022
Santa Barbara, CA

FOR VALUE RECEIVED, the undersigned, Transitions - Mental Health Association, a California Non-Profit Public Benefit Corporation ("Maker"), hereby promises to pay to the order of the County of Santa Barbara, a political subdivision of the State of California ("Holder"), at 105 E. Anapamu Street, Santa Barbara, CA 93101, or such other place as may be designated in writing by Holder, the principal sum of **One Hundred Twenty Five Thousand Dollars (\$125,000.00)** ("Elimination Loan Amount") upon the following terms and conditions.

1. Related Funding Agreement. In connection herewith, the parties have entered into that certain Funding Agreement for AB2034 One Time Housing Funds dated the 18th day of June 2002, ("Funding Agreement"), a First Addendum to the Funding Agreement dated March 19, 2019 ("First Addendum"), and a Second Addendum to the Funding Agreement dated May 24, 2022 ("Second Addendum"), copies of which are attached hereto as Exhibit A – Funding Agreement, Exhibit B – First Addendum, and Exhibit C – Second Addendum, and incorporated herein by this reference. The Funding Agreement, First Addendum and Second Addendum provide, among other things, that Holder will provide to Maker an elimination loan in the total amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) ("Elimination Loan") in connection with the acquisition and operation of two mental health facilities (collectively, the "Project"). One of these facilities was originally located at the real property commonly described as 1418 S. Raven Court, Santa Maria – as described in the Funding Agreement – and is now located on certain real property commonly described as 613 N. Curryer St., Santa Maria, CA ("Curryer St."). The second facility was originally located at the real property commonly described as 117 W. Tunnell Street, Santa Maria, CA ("Tunnell St.") and is now located on certain real property

commonly described as 1114 S. Broadway, Santa Maria, CA, (“Broadway”). This Amended and Restated Promissory Note is secured by the Deed of Trust on the Broadway real property.

In exchange for providing the Elimination Loan, Maker has among other things, agreed to provide, for a period of thirty (30) years (“Elimination Loan Term”) ending on June 17, 2032, a certain number of beds for a certain number of years within the Project for use by low-income clients of Maker (“Low-Income Beds”). No interest shall accrue or be due and owing under the Elimination Loan. Each facility shall be entitled to one-half of the loan amount, One Hundred Twenty Five Thousand Dollars (\$125,000.00) and each shall have a separate Promissory Note, secured as indicated in Section 4 below.

As described above, the Elimination Loan was split between two Promissory Notes Secured by Deeds of Trust (the “Original Notes”), each of which was secured by one of the two mental health facilities that comprised the Project. This Amended and Restated Promissory Note Secured by Deed of Trust (the “Note”) is intended to amend and restate in its entirety the Original Note in the amount of One Hundred Twenty Five Thousand Dollars (\$125,000.00) that was originally associated with and secured by the property located at Tunnell St. This Note is now associated with and secured by the Broadway property. This Note is not intended to create any new or additional indebtedness.

2. **Contingent Repayment Obligation.** The parties expressly recognize that Maker's obligation to repay the Elimination Loan Amount shall only arise, accrue and become due and payable in the event that Maker fails to provide the Low-Income Beds during the Elimination Loan Term in accordance with the Funding Agreement and Addendum for a continuous period of ninety (90) days after receiving written notice from the Holder that such Low-Income Beds are not being so provided (“Contingency”). Maker's obligation to repay the Elimination Loan Amount, if any, shall only accrue upon the occurrence of the Contingency. Upon the expiration of the Elimination Loan Term, Maker shall have no obligation under the Funding Agreement and Addendums and /or the Original Notes and any amendments thereto, including without limitation this Note.

3. Payment of the Elimination Loan Amount Upon Contingency. In the event of the occurrence of the Contingency, the Repayment Obligation shall accrue, and Maker shall be obligated to repay the Elimination Loan Amount. No Interest or penalties shall arise, accrue or be owed in connection with repaying the Elimination Loan Amount.

4. Security. This Note is secured by a Deed of Trust of even date herewith ("Deed of Trust") that is to be recorded in the Office of the County Recorder of Santa Barbara County, California on the Broadway facility.

5. Notices. All written notices, requests, demands and other communications provided for hereunder shall be in writing; shall be delivered or communicated personally or by first class letter, overnight delivery service or facsimile transmission confirmed (provided a successful transmission report has been received by the sender); and shall be mailed or delivered to the applicable party at the address indicated below next to their name or at such other address as shall be designated by such party in a written notice delivered in accordance with this section. All notices mailed shall be deemed received as of (i) receipt or refusal in the event of delivery, or (ii) within two (2) business days after deposit in the U.S. Mail.

If to Maker: Transitions - Mental Health Association
 Jill Bolster-White, Executive Director
 784 High Street
 San Luis Obispo, CA 93401

If to Holder: Director
 Santa Barbara County Department of Behavioral Wellness
 300 N. San Antonio Road
 Santa Barbara, CA 93110

Amended and Restated Promissory Note between Transitions - Mental Health Association and the County of Santa Barbara for repayment of an Elimination Loan.


IN WITNESS WHEREOF, the Maker have caused this Amended and Restated Promissory Note to be duly executed as of the date first written above.

MAKER:

Signed June 8th, 2022

Transitions - Mental Health Association,
a California Non-Profit Public Benefit Corporation

By:


Jill Bolster -White, Executive Director

Attachments:

Exhibit A – Funding Agreement

Exhibit B – First Addendum to Funding Agreement

Exhibit C – Second Addendum to Funding Agreement

EXHIBIT F
DEED OF TRUST

RECORDING REQUESTED BY AND
WHEN RECORDED, RETURN TO:

County of Santa Barbara
Department of Behavioral Wellness
Attn: Contracts Division
429 N. San Antonio Rd.
Santa Barbara, CA 93110

[SPACE ABOVE FOR RECORDER'S USE ONLY]

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

This Deed of Trust, made as of May 31, 2022, between **Transitions-Mental Health Association, a California Non-Profit Public Benefit Corporation**, herein called Trustor, whose address is 784 High Street, San Luis Obispo, CA 93401, **First American Title**, herein called Trustee, whose address is 3780 State Street, Santa Barbara, CA 93105, and **County of Santa Barbara, a political subdivision of the State of California**, herein called Beneficiary,

Witnesseth: That Trustor **IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE**, that property in **Santa Barbara County**, California, described as:

Legal Description: LOT 11 OF PALM COURT, AN ADDITION TO THE CITY OF SANTA MARIA, IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 96 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

This Real Property or its address is commonly known as 1114 S. Broadway, Santa Maria, CA 93454.

The Assessor's Parcel Number for the Real Property is 125-251-042.

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Beneficiary by paragraph (10) of the provisions incorporated herein by reference to collect and apply such rents, issues and profits.

For the Purpose of Securing: 1. Performance of each Agreement of Trustor incorporated by reference or contained herein. 2. Payment of the indebtedness evidenced by one Amended and Restated Promissory Note Secured by Deed of Trust of even date herewith, and any extension or renewal thereof, in the principal sum of **One Hundred Twenty-Five Thousand Dollars (\$125,000)** executed by Trustor in favor of Beneficiary or order expiring on June 17, 2032. 3. That certain "Funding Agreement for AB2034 One Time Housing Funds Between the County of Santa Barbara and Transitions-Mental Health Association", effective June 18, 2002, the First Addendum thereto dated March 19, 2019, and the Second Addendum dated May 24, 2022, and extensions and renewals thereof. 4. Payment of such further sums as the then record owner of said property may borrow from Beneficiary, when evidenced by another note (or notes) reciting it is so secured.

To Protect the Security of This Deed of Trust, Trustor Agrees: By the execution and delivery of this Deed of Trust and the rate secured hereby, that provisions (1) to (14), inclusive, of the fictitious deed of trust recorded October 23, 1961, in the book and at the page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, viz.:

COUNTY	BOOK	PAGE
Alameda	435	684
Alpine	1	250
Amador	104	348
Butte	1145	1
Calaveras	145	152
Colusa	296	617
Contra Costa	3978	47
Del Norte	78	414
El Dorado	568	456
Fresno	4626	572
Glenn	422	184
Humboldt	657	527
Imperial	1091	501
Inyo	147	598
Kern	3427	60
Kings	792	833
Lake	362	39
Lassen	171	471
Los Angeles	T2055	899
Madera	810	170
Marin	1508	339

Mariposa	77	292
Mendocino	579	530
Merced	1547	538
Modoc	184	851
Mono	52	429
Monterey	2194	538
Napa	639	86
Nevada	305	320
Orange	5889	611
Placer	895	301
Plumas	151	5
Riverside	3005	523
Sacramento	4331	62
San Benito	271	383
San Bernardino	5567	61
San Diego	Series 2 Book 1961	183887
San Francisco	A332	905
San Joaquin	2470	311
San Luis Obispo	1151	12
San Mateo	4078	420
Santa Barbara	1878	860
Santa Clara	5336	341
Santa Cruz	1431	494
Shasta	684	528
Sierra	29	335

Siskiyou	468	181
Solano	1105	182
Sonoma	1851	689
Stanislaus	1715	456
Sutter	572	297
Tehama	401	289
Trinity	93	366
Tulare	2294	275
Tuolumne	135	47
Ventura	2062	388
Yolo	653	245
Yuba	334	486

(which provisions, identical in all counties, are printed on the reverse hereof) hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length; that he will observe and perform said provisions; and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to it at its address hereinbefore set forth.

TRUSTOR:

Transitions-Mental Health Association

By:



Jill Bolster-White, Executive Director

Signed JUNE 8th, 2022

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Luis Obispo)

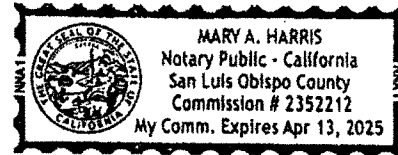
On June 8, 2022 before me, Mary A. Harris Notary Public,
(insert name and title of the officer)

personally appeared Jill Bolster-White,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Mary A. Harris (Seal)



DO NOT RECORD

The following is a copy of provisions (1) to (14), inclusive, of the fictitious deed of trust, recorded in each county in California, as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

To Protect the Security of This Deed of Trust, Trustor Agrees:

1. To keep said property in good condition and repair, not to remove or demolish any building thereon, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer or permit any act upon said property in violation of law to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
 2. To provide maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
 3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.
 4. To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, all costs, fees and expenses of this Trust.
- Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto, and in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.
5. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.
 6. That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

7. That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his rights either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

8. That at any time or from time-to-time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property, consent to the making of any map or plot thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

9. That upon written request of Beneficiary state that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "The person or persons legally entitled thereto "Five years after issuance of such full reconveyance, Trustee may destroy said note and this Deed (unless directed in such request to retain them).

10. That as additional security, Trustor hereby give to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees. Upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

11. That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder. Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time-to-time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in

connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof, all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

12. Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time-to-time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

13. That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the note secured hereby whether or not named as Beneficiary herein in this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

14. That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

**DO NOT RECORD
REQUEST FOR FULL RECONVEYANCE**

To be used only when note has been paid:

Dated _____

To _____, Trustee:

The undersigned is the legal owner and holder of all indebtedness secured by the within Deed of Trust. All sums secured by said Deed of Trust have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel all evidences of indebtedness, secured by said Deed of Trust, delivered to you herewith together with said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, the estate now held by you under the same.

LENDER/BENEFICIARY:

By: _____
Signature
Name: _____
Print name
Its: _____

MAIL RECONVEYANCE TO:

[Name and address of party to whom the reconveyed deed of trust is to be returned]

Name: _____
Address: _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

[Signature, name and capacity of trustor]

TRUSTOR:

By: _____
Name: _____
Its: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____)

On _____ before me, _____ Notary Public,
(insert name and title of the officer)

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT G
INDEMNITY & INSURANCE REQUIREMENTS

EXHIBIT G

Indemnification and Insurance Requirements (For All Contracts with Good Samaritan)

INDEMNIFICATION

GOOD SAMARITAN SHELTER agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is caused by the active negligence, sole negligence, or willful misconduct of the COUNTY.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

GOOD SAMARITAN SHELTER shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

As part of the consideration of this Agreement, GOOD SAMARITAN SHELTER shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the GOOD SAMARITAN SHELTER, its agents, representatives, employees, volunteers, or subcontractors.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

- 1. Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including property damage, bodily injury and personal & advertising injury with limits no less than Two Million Dollars (\$2,000,000) per occurrence. If a general aggregate limit applies, either the aggregate limit shall apply separately to this project or location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
- 2. Automobile Liability:** ISO Form CA 00 01 covering any auto (Symbol 1), or if Vendor has no owned autos, hired (Symbol 8) and non-owned autos (Symbol 9), with limits no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
- 3. Sexual Abuse or Molestation (SAM) Liability:** If the work will include contact with minors or other vulnerable individuals, and the CGL policy referenced above is not endorsed to include affirmative coverage for sexual abuse or molestation, GOOD SAMARITAN SHELTER shall obtain and maintain a policy covering Sexual Abuse and Molestation with a limit no less than One Million Dollars (\$1,000,000) per occurrence or claim.

4. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits no less than One Million Dollars (\$1,000,000) per accident for bodily injury or disease.
5. **Property** insurance against all risks of loss at full replacement cost with no coinsurance penalty provision.

If GOOD SAMARITAN SHELTER maintains broader coverage and/or higher limits than the minimums shown above, the COUNTY requires and shall be entitled to the broader coverage for and/or the higher limits maintained by GOOD SAMARITAN SHELTER. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

Self-Insured Retentions (SIRs) must be declared to and approved by the COUNTY. The COUNTY may require GOOD SAMARITAN SHELTER to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the SIR may be satisfied by either the named insured or COUNTY.

Other Insurance Provisions

The applicable insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status** - The COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of GOOD SAMARITAN SHELTER including materials, parts or equipment furnished in connection with such work or operations.
2. **Primary Coverage** – For any claims related to this contract, GOOD SAMARITAN SHELTER's insurance coverage shall be primary and non-contributory at least as broad as ISO CG 20 01 12 19 as respects the COUNTY, its officers, officials, employees, volunteers, and agents. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, volunteers, and agents shall be excess of GOOD SAMARITAN SHELTER's insurance and shall not contribute to it. This requirement shall also apply to any Excess or Umbrella liability policies.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. **Mutual Waiver of Workers' Compensation Subrogation Rights** – Notwithstanding anything in this Agreement to the contrary, COUNTY hereby releases and waives unto GOOD SAMARITAN SHELTER, including its officers, directors, employees and agents, and GOOD SAMARITAN SHELTER hereby releases and waives unto COUNTY, including its officers, directors, employees and agents, all rights to claim damages for any workers' compensation injury, loss, cost or damage to persons, as long as the amount of such injury, loss, cost or damage has been paid either to or by COUNTY, GOOD SAMARITAN SHELTER, or any other person, firm or corporation, under the terms of any workers' compensation policy of insurance. Each party shall have its Workers' Compensation policy endorsed with a waiver of subrogation in favor of the other party for all work performed by the either party, its officers, directors, employees and agents. **Each party shall provide the other party with the required**

insurance endorsement that amends the workers' compensation insurance policy.

5. As respects all workers' compensation policies of insurance carried or maintained pursuant to this Agreement and to the extent permitted under such policies, COUNTY and GOOD SAMARITAN SHELTER, each waive the insurance carriers' rights of subrogation. For purposes of this provision, insurance proceeds paid to either party shall be deemed to include any deductible or self-insurance retention amount for which that party is responsible. A party's failure to obtain or maintain any insurance coverage required pursuant to the terms of this Agreement shall not negate the waivers and releases set forth herein, as long as the insurance that the party failed to obtain or maintain would have covered the loss or damage for which the party is waiving its claims.

Claims Made Policies – If any of the required policies provide claims-made coverage:

- I. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
- II. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
- III. If coverage is canceled or non-renewed and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, GOOD SAMARITAN SHELTER must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

Umbrella or Excess Policy - GOOD SAMARITAN SHELTER may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying CGL insurance.

Acceptability of Insurers – All insurance coverage shall be placed with insurers authorized to conduct business in the State of California with a current AM Best's rating of no less than A: VII. All other insurers require prior approval of the COUNTY.

Verification of Coverage – GOOD SAMARITAN SHELTER shall furnish the COUNTY with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) to the COUNTY before work begins. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications, at any time.

Subcontractors – GOOD SAMARITAN SHELTER shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and GOOD SAMARITAN SHELTER shall ensure that COUNTY is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances – COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. GOOD SAMARITAN SHELTER agrees to execute any such amendment within thirty (30) days of receipt.

Failure to Procure Coverage – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew

such coverage or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.