

**MEMORANDUM OF UNDERSTANDING**

**AMONG**

**COUNTY OF SANTA BARBARA  
DEPARTMENT OF BEHAVIORAL WELLNESS  
(COUNTY)**

**CYPRESS & 7TH, L.P.  
(PARTNERSHIP)**

**HOUSING AUTHORITY OF THE COUNTY OF SANTA BARBARA  
(HACSB)**

**REGARDING**

**MENTAL HEALTH SERVICES PROVIDED BY COUNTY OF SANTA BARBARA  
DEPARTMENT OF BEHAVIORAL WELLNESS TO NO PLACE LIKE  
HOMERESIDENTS OF CYPRESS & 7TH, AN AFFORDABLE HOUSING  
DEVELOPMENT IN THE CITY OF LOMPOC, COUNTY OF SANTA BARBARA**

This Memorandum of Understanding (“MOU”) is entered into between the County of Santa Barbara, a political subdivision of the State of California (“County”), Cypress & 7th, L.P., a California limited partnership (“Partnership”), and the Housing Authority of the County of Santa Barbara, a public body, corporate and politic (“HACSB”) (collectively referred to as the “Parties”) for the development and operations of Cypress & 7th, an affordable rental housing development proposed to be developed at 1401 East Cypress Avenue, Lompoc, California (the “Project”).

**RECITALS**

WHEREAS, the County Board of Supervisors approved and authorized the Director of the Department of Behavioral Wellness, on behalf of the County as co-applicant with the HACSB as developer-borrower, to submit a joint application for No Place Like Home (NPLH) non-competitive loan funds from the California Department of Housing and Community Development; and

WHEREAS, a component of the application is to provide an MOU which identifies the roles and responsibilities of the County, the project owner, other service providers, and the property manager; and

WHEREAS, the purpose of this MOU is to identify the roles and responsibilities of the County as the local mental health department and the supportive services provider for the Project, the Partnership as the eventual owner of the Project, and the HACSB as the co-applicant for NPLH non-competitive funds and eventual property manager for the Project in accordance with the No Place Like Home Program Guidelines as may be amended, if NPLH funding is awarded for the Project and the Project is otherwise approved by the applicable regulating agencies after

undergoing the requisite permit approval and zoning processes.

WHEREAS, Welfare & Institutions Code section 5849.9 requires a County receiving NPLH funds to commit to provide mental health supportive services and coordinate the provision of, or referral to, other services including, but not limited to, substance abuse treatment services (“mental health supportive services”) to NPLH tenants for a duration of 20 years; and

WHEREAS, specifics regarding the provision of mental health supportive services by the County will be set forth in a separate Supportive Services Agreement to be entered into amongst the parties hereto (the “NPLH Services Agreement”).

NOW, THEREFORE, the Partnership, HACSB, and County hereby agree as follows:

### **I. RESPONSIBILITIES OF ALL PARTIES**

- A. The County and the HACSB will work together to complete a co-application for NPLH non-competitive funding to submit to the California Department of Housing and Community Development.
- B. Upon development and occupancy of the Project, the Parties will work together to prevent evictions of the NPLH tenants, adopt and ensure compliance with harm reduction principles, and facilitate the implementation of reasonable accommodation policies from rent-up to ongoing operations of the Project.
- C. Upon development and occupancy of the Project, the Parties will work together to ensure that NPLH tenants who do not speak English and those who have sensory disabilities are able to effectively communicate with the County and the HACSB as the property manager for the Project.
- D. The Parties will comply with the applicable provisions of the No Place Like Home Program Guidelines, as may be amended.

### **II. PARTNERSHIP RESPONSIBILITIES AS OWNER**

- A. The Partnership will provide, among other things, all required Project financial and architectural design information, and environmental, local government, and funding approvals. The Partnership will secure all predevelopment, construction, and permanent funding for developing and operating the Project.
- B. The Partnership will design the Project in such a way that fosters tenant engagement, onsite supportive services, safety and security, and sustainability.
- C. The Project will include fourteen (14) newly constructed housing units set-aside for NPLH eligible persons with serious mental illness who are chronically homeless, homeless, or at-risk of being chronically homeless (“NPLH tenants.”)

- D. NPLH tenants will be selected through the use of a coordinated entry system (“CES”) for those At-Risk of Chronic Homelessness in accordance with the provisions of 25 CCR Section 8305 and in compliance with Housing First requirements consistent with the core components set forth in Welfare and Institutions Code Section 8255(b).
- E. If the CES existing in the County cannot refer persons At-Risk of homelessness, homeless or Chronically homeless, the County will use an alternate system prioritizing those with the greatest needs for referral to available NPLH designated units at the Project.
- F. The Partnership will confirm that the designs of the Project meet Americans with Disability Act (“ADA”) requirements for accessibility.
- D. County and the Partnership will each designate a point of contact for purposes of coordinating activities under this MOU. The points of contact will meet at least quarterly, review inventory, and discuss operational status.
- E. The Partnership will provide County priority office space appropriate to meet with tenants individually on the first floor of the Project at no cost. At a minimum, the office space will include a computer access point and electrical service in the office. The Partnership agrees to grant permission and access to the County to make the office space compatible with the County’s computer network and phone system.
- F. The Partnership will be responsible for all repair and maintenance functions of the Project.

### **III. COUNTY RESPONSIBILITIES AS SERVICE PROVIDER**

- A. County is a supportive service provider that has the capacity to provide supportive services to residents of the Project in a manner appropriate for NPLH tenants. Supportive services shall be as described in the NPLH Services Agreement.
- B. County commits to provide mental health and related mental health supportive services for the NPLH tenants at the Project, or at another location reasonably accessible to NPLH tenants, for the duration of this MOU, contingent upon continued availability of funding to County to provide such services to members of the community. County may either provide the services directly or provide the services through a subcontracted lead service provider. County and HACSB staff will make participation in supportive services voluntary.
- C. Access to, or continued occupancy in housing will not be conditioned on participation in services or sobriety. Supportive services will be offered in a manner that is voluntary, flexible and individualized, so that NPLH tenants may continue to engage with supportive services providers, even as the intensity of services needed may change.
- D. County will participate in Residency Council meetings with the HACSB.

- E. County will meet regularly with the HACSB as needed to review NPLH tenants' tenancies in order to assure integrated housing and support services with the joint goal of tenant engagement and housing retention.
- F. The compensation to County for provision of services to the Project shall be as set forth in the NPLH Services Agreement.

#### **IV. HACSB RESPONSIBILITIES AS PROPERTY MANAGER**

- A. The HACSB will receive and screen referrals of County NPLH Housing Program applicants using the CES only. Reasonable selection criteria, as referred to in 25 CCR Section 8305(a)(1) shall include priority status under local CES developed pursuant to 24 CFR 578.7(a)(8).
- B. The HACSB will accept tenants regardless of sobriety, participation in services or treatment, history of incarceration, credit, or history of eviction in accordance with practices permitted pursuant to Welfare and Institutions Code Section 8255.
- C. The HACSB, after initial rent-up, will use the CES to fill vacancies, as they occur, for the fourteen (14) NPLH designated units at the Project.
- D. The HACSB will also ensure that County receives a copy of any denial notice to NPLH-eligible applicants.
- E. The HACSB will employ and supervise an on-site property manager
- F. The HACSB will participate in Residency Council meetings with County.
- G. The HACSB will meet regularly with County as needed to review NPLH tenants' tenancies in order to assure integrated housing and support services with the joint goal of tenant engagement and housing retention.
- H. The HACSB will provide County with the Project's occupancy list on a regular basis.
- I. The HACSB will work with County on an annual basis to submit the data listed in NPLH Guideline Section 217. The County shall work with the Project's property manager to gather the data. The data may be, but is not required to be, gathered from the local Homeless Management Information System as required by the California Department of Housing and Community Development and set forth in the No Place Like Home Program Guidelines Section 214, as may be amended.

#### **V. NPLH Housing Program Fund Amount**

County has conditionally allocated NPLH non-competitive funding for the Project in the amount of \$632,696, which will be set aside for the Project until September 30, 2021 to allow HASBC to complete the financing needed to complete the construction of the Project. The terms of financing will be set forth in a separate loan agreement between

the California Department of Housing and Community Development and the HACSB.

**VI. Term**

This MOU shall be effective as of the date of execution by the County. It is the intent of the Parties that the County will begin providing mental health supportive services upon occupancy of NPLH tenants at the Project and will continue such services for a minimum of twenty (20) years pursuant to Section III.B above

**VII. Miscellaneous**

- A. Notices. Any notice or consent required or permitted to be given under this MOU shall be given to the respective parties in writing, by personal delivery or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To County: County of Santa Barbara Department of Behavioral Wellness  
300 Camino Del Remedio Road, Bldg 3  
Santa Barbara, CA 93110  
Attn: Director

To HACSB: Housing Authority of the County of Santa Barbara  
815 West Ocean Avenue  
Lompoc, CA 93436  
Attn: Executive Director

To Partnership: Cypress & 7th, L.P.  
c/o Surf Development Company  
815 West Ocean Avenue  
Lompoc, CA 93436  
Attn: President

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that any party agrees to service of process except as required by applicable law.

- B. Amendments. The Parties agree that the terms and conditions of the MOU may be reviewed or modified at any time. Any modifications to this MOU shall be effective only when agreed to in writing by each of County, the Partnership, and HACSB. Any amendments or modifications that do not materially change the terms of this MOU may be approved by the Director of Behavioral Wellness. The Board of Supervisors of the County of Santa Barbara must approve all other amendments and

modifications on behalf of the County.

**IN WITNESS WHEREOF**, the parties hereto have executed this MOU to be effective as of the date executed by County.

*Signature Page Follows*

**HACSB:**

**HOUSING AUTHORITY OF THE  
COUNTY OF SANTA BARBARA**

By: \_\_\_\_\_  
Robert P. Havlicek Jr, Executive Director

Date: \_\_\_\_\_

**COUNTY:**

**COUNTY OF SANTA BARBARA  
DEPARTMENT OF BEHAVIORAL WELLNESS**

By: \_\_\_\_\_  
Alice Gleghorn,  
PH.D., Director

Date: \_\_\_\_\_

**PARTNERSHIP:**

**Cypress & 7th, L.P.**

By: Surf Development Company,  
a California nonprofit public benefit corporation,  
its general partner

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

Raymond F. Down, President

Date: \_\_\_\_\_