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Board Contract #: 24-246

FIRST AMENDMENT TO THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES COMMUNITY CARE EXPANSION PRESERVATION PROGRAM OPERATING SUBSIDY PAYMENTS AGREEMENT

BETWEEN

COUNTY OF SANTA BARBARA

AND

MENTAL HEALTH ASSOCIATION IN SANTA BARBARA COUNTY, DBA MENTAL WELLNESS CENTER

FIRST AMENDMENT TO THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES COMMUNITY CARE EXPANSION PRESERVATION PROGRAM OPERATING SUBSIDY PAYMENTS AGREEMENT

THIS FIRST AMENDMENT ("First Amendment") to the California Department of Social Services Community Care Expansion Preservation Program Operating Subsidy Payments Agreement (BC No. 24-246) is made by and between the **County of Santa Barbara**, a political subdivision of the State of California ("**Sponsor**") and **Mental Health Association in Santa Barbara County, DBA Mental Wellness Center**, a nonprofit public benefit corporation ("**Recipient**").

WHEREAS, Horne LLP ("Horne") is the third-party administrator of the California Department of Social Services ("CDSS") Community Care Expansion ("CCE") Preservation Program ("CCE Preservation Program");

WHEREAS, Horne and Sponsor entered into that certain Program Funding Agreement, effective as of March 12, 2024 (the "Program Funding Agreement"), pursuant to which Horne will disburse CCE Preservation Program Funds to Sponsor for the purpose of the immediate preservation of licensed residential adult and senior care facilities that serve Qualified Residents, as that term is defined in Welfare and Institutions Code Section 18999.97(e), and otherwise in accordance with the requirements of the CCE Preservation Program;

WHEREAS, Sponsor is authorized under the Program Funding Agreement to disburse CCE Preservation Program Funds to operators of licensed residential adult and senior care facilities who are eligible to participate in the CCE Preservation Program;

WHEREAS, Sponsor has awarded Recipient funds for the preservation of Recipient's licensed residential adult and senior care facility ("Facility"), as described in MWC-Polly's House OSP Application Packet FULL, attached to the Agreement as Exhibit A-1 ("Project"); and in accordance with the terms of the Program Funding Agreement and the requirements of the CCE Preservation Program;

WHEREAS, on April 8, 2025, Sponsor and Recipient (collectively, the "Parties") entered into the California Department of Social Services Community Care Expansion Preservation Program Operating Subsidy Payments Agreement ("Agreement")(BC No. 24-246) for preservation Operating Subsidy Payment funds ("OSP") in an amount not to exceed One Hundred Thousand and 00/100s Dollars (**$100,000**) (the "OSP Funds") for the purpose of funding certain operating expenses related to Project, for the term of April 8, 2025, through June 30, 2029;

WHEREAS, Sponsor, Recipient and Owner recorded against the real property, upon which the Project is located (the "Project Property"), within forty-five (45) days of execution of this Agreement, that certain Declaration of Restrictions ("Declaration of Restrictions") restricting the use of the Project Property and the operation of the Project in compliance with the terms of the CCE Preservation Program for a period of at least from April 8, 2025 through June 30, 2029, including the requirement that Recipient and Owner give priority to serving Qualified Residents (defined below) who are currently experiencing homelessness, were formerly homeless or who are at risk of homelessness and as otherwise described in the Declaration of Restrictions;

WHEREAS, Sponsor, Recipient, and Guarantor entered into that certain Performance Deed of Trust ("Performance Deed of Trust") dated within forty-five (45) days of execution of this Agreement, guaranteeing the obligations of Recipient and Owner under this Agreement, including the operation of the Project in compliance with the terms of the CCE Preservation Program for a

period of at least from April 8, 2025 through June 30, 2029, including the requirement that Recipient and Owner give priority to serving Qualified Residents (defined in the Agreement) who are currently experiencing homelessness, were formerly homeless or who are at risk of homelessness, and as otherwise described in the Performance Deed of Trust; and

WHEREAS, through this First Amendment, the Parties wish to update the funds disbursement model to a flat rate model, resulting in no change to the total maximum funding amount of $100,000 and no change to the term of April 8, 2025, through June 30, 2029.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

I. Delete Section 7 Calculation of OSP Funds Disbursements and replace with the following:

7. Calculation of OSP Funds Disbursements.

   a. The amount of the OSP Funds disbursement shall be based on the total number of beds occupied by Qualified Residents, at a rate of $1,000 per bed, to be distributed monthly.

   b. If Sponsor is disbursing OSP Funds monthly, disbursement amounts shall be in the form of reimbursements based on Recipient's total number of beds occupied by Qualified Residents from the previous month, as described in Section 7(a). Evidence of bed usage must be submitted to Sponsor in a form approved by Sponsor in accordance with Section 11 below no more than 30 days after the month ends. Monthly disbursements are subject to Sections 10 and 11 below. The calculation of the Initial Disbursement shall be in accordance with Sections 9 and 10 below.

   c. If funds from any disbursement remain unused in any given Fiscal Year, those funds shall be applied toward the next Fiscal Year's Disbursement, if any, or returned to Sponsor if there is no disbursement for the subsequent Fiscal Year.

II. Effectiveness. The terms and provisions set forth in this First Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Agreement. The terms and provisions of the Agreement, except as expressly modified and superseded by this First Amendment, are ratified and confirmed and shall continue in full force and effect and shall continue to be legal, valid, binding, and enforceable obligations of the parties.

III. Execution of Counterparts. This First Amendment may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts, or as many of them as the Parties shall preserve undestroyed, shall together constitute one and the same instrument.

(This section intentionally left blank.)

SIGNATURE PAGE

First Amendment to the California Department of Social Services Community Care Expansion Preservation Program Operating Subsidy Payments Agreement between the **County of Santa Barbara** and **Mental Health Association in Santa Barbara County, DBA Mental Wellness Center.**

IN WITNESS WHEREOF, the Parties have executed this First Amendment to the Agreement to be effective on the date executed by County.

COUNTY OF SANTA BARBARA:

By: _____
LAURA CAPPS, CHAIR
BOARD OF SUPERVISORS

Date: 12-9-25

ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: Shila de la Guerra
Deputy Clerk

Date: 12-9-25

CONTRACTOR:
MENTAL HEALTH ASSOCIATION IN SANTA BARBARA COUNTY, DBA MENTAL WELLNESS CENTER

DocuSigned by:
By: Annmarie Cameron
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Authorized Representative

Name: Annmarie Cameron

Title: CEO

Date: 11/5/2025

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

Signed by:
By: Bo Bae
48A252DEFED3466...
Deputy County Counsel

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

Signed by:
By: Shawna Jorgensen
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Deputy

RECOMMENDED FOR APPROVAL:
ANTONETTE NAVARRO, LMFT
DIRECTOR
DEPARTMENT OF BEHAVIORAL WELLNESS

DocuSigned by:
By: Jamie Hutlsing
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Director

APPROVED AS TO FORM:
GREG MILLIGAN, ARM
RISK MANAGER

DocuSigned by:
By: Gregory Milligan
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Risk Manager