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CITY OF LINCOLN

EXEMPT FROM FILING FEES PURSUANT
TO GOVERNMENT CODE SECTION 6103

DEEMED VERIFIED PURSUANT TO CODE
OF CIVIL PROCEDURE SECTION 446

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF PLACER

CITY OF LINCOLN, a California municipal
corporation, CITY OF LINCOLN, by and for
the People of the State of California

Plaintiff/Petitioner,

v.

THE GATHERING INN, a California public
benefit non-profit corporation; CALIFORNIA
DEPARTMENT OF SOCIAL SERVICES, a
California state agency, HORNE LLP, a
Delaware limited liability partnership, and
DOES 1 through 15 inclusive,

Defendants/Respondents.

Case No. S-CV-0053711

**FIRST AMENDED
COMPLAINT/PETITION FOR**

**(1) PRELIMINARY AND PERMANENT
INJUNCTION (PUBLIC NUISANCE)**
[Civ. Code §§ 3479, 3480; Code Civ. Proc.
§§ 526, 731];

**(2) PRELIMINARY AND PERMANENT
INJUNCTION AND PENALTIES FOR
UNFAIR BUSINESS PRACTICES IN
THE NAME OF AND FOR THE
PEOPLE OF THE STATE OF
CALIFORNIA; [Bus. Prof. Code § 17200
et. seq.];**

**(3) WRIT OF MANDATE [Code Civ.
Proc. § 1085];**

**(4) DECLARATORY RELIEF [Code
Civ. Proc. § 1060];**

(5) DECEIT (CONCEALMENT); and

**(6) DECEIT (FRAUD AND
CONCEALMENT) [Tort of Another
Doctrine]**

PARTIES

1. Plaintiff/Petitioner City of Lincoln (“Plaintiff”, “Petitioner”, or “City”) is a municipal corporation, organized and existing under the laws of the State of California, and is located within the County of Placer. The City brings this action not only on its own behalf, but also as is alleged herein, for the second cause of action the City brings this action by and for the People of the State of California.

2. Plaintiff is informed and believes, and based thereon alleges, that Defendant The Gathering Inn (“TGI”) is a California public-benefit non-profit corporation in good standing, which is operating and otherwise doing business within the boundaries of the County of Placer, and which is located in Rocklin, California.

3. Plaintiff/Petitioner is informed and believes, and based thereon alleges, that Respondent California Department of Social Services (“CDSS”) is a California state agency, and that CDSS operates the Community Care Expansion Program (“CCE Program”), which provides funds for the acquisition, construction and/or rehabilitation of adult and senior care facilities that serve applicants and recipients of Supplemental Security Income/State Supplementary Payment (“SSI/SSP”), or Cash Assistance Program for Immigrants (“CAPI”) who are at risk of or are experiencing homelessness. The CCE Program is part of a broader statewide effort to expand housing, improve treatment outcomes, and prevent the cycle of homelessness.

4. Plaintiff is informed and believes, and based thereon alleges, that Defendant Horne, LLP (“Horne”) is a Delaware limited liability partnership, with its principal place of business in Ridgeland, Mississippi. Plaintiff is further informed and believes, and based thereon alleges, that Horne is operating and otherwise doing business in California, and that Horne is the current contract third-party administrator for CDSS to provides consultation, technical assistance, general training and support for individual CCE Program projects.

5. Plaintiff is informed and believes, and based thereon alleges, that Horne is the successor third-party administrator for CDSS for the CCE Program, and that Horne became the third-party administrator on or about May 30, 2023. Plaintiff is further informed and believes, and based thereon alleges, that before CDSS retained Horne to be the third-party administrator for

1 the CCE Program, CDSS had retained an entity called Advocates for Human Potential, Inc.
2 (“AHP”). Plaintiff is further informed and believes, and based thereon alleges, that AHP
3 functioned as CDSS’s third-party administrator from the inception of the CCE Program, until
4 Horne took over on or about May 30, 2023.

5 6. Plaintiff is unaware of the true names and capacities of Defendants/Respondents
6 sued herein as under fictitious names as DOES 1 through 15, inclusive, and Plaintiff will amend
7 this First Amended Complaint to allege their true names and capacities when ascertained. The
8 City is informed and believes, and based thereon alleges, that each of the Defendants/
9 Respondents named herein as DOES 1 through 15, inclusive, is legally responsible in some
10 manner for the actions challenged and/or injury caused herein, and therefore should be bound by
11 the relief sought herein.

12 GENERAL ALLEGATIONS

13 7. The City takes the issue of homelessness seriously. Over the last few years, it has
14 devoted substantial resources to addressing homelessness within its boundaries. In 2023, the City
15 launched a pilot program to thoughtfully work with individuals struggling with homelessness
16 within the Lincoln community to find solutions addressing their specific needs. The City
17 partnered with the County of Placer, local volunteers, non-profits and churches to provide wrap
18 around services to those experiencing homelessness, and to assist these individuals in finding
19 transitional and, in many cases, more permanent housing. This pilot program has been
20 successful. Thanks to the City’s efforts in addressing this issue, the population of persons
21 experiencing homelessness within the City has diminished, and the Auburn Ravine Creek, where
22 many homeless persons in the City had been residing, was largely returned to its natural setting
23 with the removal of large tent encampments.

24 The Origins and Requirements of the CCE Program

25 8. In 2021, California Assembly Bill 172 (“AB 172”) was enacted into law, which
26 added sections 18999.97-18999.98 to the Welfare and Institutions Code. AB 172 provided the
27 statutory basis for the CCE Program, and pursuant to this new law, the state has appropriated
28 approximately \$860 million in general fund money for CCE Program projects. AB 172

1 authorizes CDSS to enter into contracts with third-party administrators for contract services.
2 Plaintiff is informed and believes, and based thereon alleges, that Horne is such a third-party
3 administrator of CDSS for the CCE Program, and that prior to hiring Horne, CDSS had retained
4 AHP. Plaintiff is further informed and believes, and based thereon alleges, that at present,
5 approximately \$570 million in CCE Program funding has been awarded, and a total of 61 projects
6 have been funded.

7 9. In drafting AB 172, the Legislature conferred on CDSS broad quasi-legislative
8 rule-making authority, whereby CDSS is authorized to implement and administer the CCE
9 Program through “All-County Letters”, which are communications from CDSS to county social
10 service departments that provide information on program implementation, or through any other
11 “similar instruction”, which then has the same force and effect as regulation. (See Welf. & Inst.
12 Code § 18999.97, subd. (k).)

13 10. Plaintiff is informed and believes, and based thereon alleges, that in or about late
14 2021 and early 2022, CDSS worked in tandem with California Department of Health Care
15 Services (“DHCS”), which had received authorization from the Legislature to establish and
16 operate a program called the Behavioral Health Continuum Infrastructure Program (“BHCIP”).
17 BHCIP and the CCE Program are two new programs created by the Legislature that are designed
18 to provide infrastructure funding to address homelessness and healthcare delivery reform.

19 11. Plaintiff is informed and believes, and based thereon alleges, that CDSS and
20 DHCS worked together to design and implement a Joint Request for Applications (“RFA”),
21 which these agencies intended would set forth requirements for applicants who wished to receive
22 state funds for the BHCIP and/or CCE Program. A true and correct copy of the Joint RFA
23 (without attachments) is attached hereto as Exhibit “A.” Plaintiff is further informed and
24 believes, and based thereon alleges, that the Joint RFA was finalized and made available to the
25 public on or about January 31, 2022. Plaintiff is further informed and believes, and based thereon
26 alleges, that in drafting and publishing the Joint RFA, CDSS and DHCS intended to impose
27 requirements upon project applicants that would have the same force and effect as regulation.
28

12. According to the Joint RFA, CCE Program applications were to be awarded on a rolling basis until grant funds are exhausted, and applicants had to meet minimum criteria in order to be eligible. All applicants that met the minimum criteria as set forth in the Joint RFA would be funded until all grant funds were committed. Plaintiff is informed and believes, and based thereon alleges, that CDSS's and DHCS's listing of minimum criteria in the Joint RFA was intended to function as a floor for an applicant's eligibility to participate in the respective programs, and that these agencies intended that an applicant that did not meet the minimum criteria as set forth in the Joint RFA would not be eligible to receive program funds.

13. In drafting AB 172, the Legislature meant to exempt projects that utilized BHCIP or CCE Program funds from local land use authority. (See Welf. & Inst. Code § 18999.97, subd. (l).) However, Plaintiff is informed and believes, and based thereon alleges, that neither the Legislature, nor CDSS or DHCS, intended that the desires and needs of local communities be ignored in the decision-making process for these programs. As such, one of the general program requirements that CDSS and DHCS imposed as part of the Joint RFA was that an application for funds for either the BHCIP or CCE Program had to include documentation that demonstrated that there was active community engagement on the part of the applicant, and that the applicant had received local support for the proposed project. In other words, the applicant was required by what was effectively regulation set forth in the Joint RFA to reach out to community leaders and stakeholders, including local elected officials, and to obtain letters of support that confirmed that there was some level of local support for the proposed project.

14. The Joint RFA expressly provides that absent a showing of active community engagement by the applicant, and a showing that the applicant has been able to obtain some level of community support, an applicant would not be eligible to receive either BHCIP or CCE Program funds. (See Ex. "A," § 3.4.) The Joint RFA included, as an attachment, "Form 6", which is entitled, "Community Engagement Tracking Form". In this "Form 6," which applicants were required to submit with their applications, each applicant was required to "[e]xplain how stakeholders (e.g., community-based organizations [CBOs], members of the target population, residents, civic leaders, and frontline staff) have been meaningfully involved in the visioning and

1 development of this project.” A true and correct copy of “Form 6,” the “Community Engagement
2 Tracking Form”, is attached hereto as Exhibit “B.”

3 **TGI’s Application for the CCE Program**

4 15. Plaintiff is informed and believes, and based thereon alleges, that TGI is a CCE
5 Program participant. Plaintiff is further informed and believes, and based thereon alleges, that
6 TGI was formed in 2004, that it owns and operates shelters and other programs within Placer
7 County (“County”) for persons who are experiencing homelessness, and that it provides services
8 to approximately 300 persons per day at its various facilities within the County.

9 16. Plaintiff is informed and believes, and based thereon alleges, that on or about
10 July 11, 2022, TGI applied to become a CCE Program participant. In the application that TGI
11 submitted to CDSS through CDSS’s online portal, TGI informed CDSS of its proposal to open a
12 20-bed medical respite center in Roseville, California. A medical respite center is a facility that
13 provides medical care to people who were in the hospital, and at the time of discharge were
14 experiencing homelessness but were too ill and/or frail to recover from their illness or injury on
15 the street or in a shelter. As part of its application to open a medical respite center in Roseville,
16 TGI informed CDSS of its proposal to purchase vacant land at 300 Elefa Street in Roseville (the
17 “Roseville Site”), and to construct from the ground up the housing and medical facility on that
18 site. The Roseville Site was located approximately 800 feet from an elementary school.

19 17. Plaintiff is informed and believes, and based thereon alleges, that as part of the
20 application process for CCE Program funding for a facility at the Roseville Site, TGI obtained
21 letters of support from Sutter Health, Anthem Blue Cross, and California Health & Wellness.
22 Plaintiff is further informed and believe, and based thereon alleges, that TGI submitted these
23 letters of support as part of its application, and that it informed CDSS that it had obtained verbal
24 support from the Roseville City Council, as well as the Placer County Health and Human
25 Services (“HHS”). TGI further informed CDSS that the Roseville City Council was going to
26 meet on July 20, 2022 to officially vote on support for the project at the Roseville Site, and that
27 once the City Council voted to approve to the project, County HHS and Kaiser Health would also
28 provide letters of support.

1 18. As part of its application, TGI submitted a completed “Form 6,” indicating that
2 TGI had engaged in multiple meetings with officials from the City of Roseville, and that a letter
3 of support from the City of Roseville would be provided following the July 20, 2022 Roseville
4 City Council meeting. A true and correct copy of the “Form 6” that TGI submitted with its
5 application is attached hereto as Exhibit “C.” Plaintiff is informed and believes, and based
6 thereon alleges, that TGI knew that it was required to obtain support from civil leaders, which is
7 why it took great effort to engage the Roseville City Council and other city leaders and to seek
8 their support for the project at the Roseville Site.

9 19. Plaintiff is informed and believes, and based thereon alleges, that at the July 20,
10 2022 Roseville City Council meeting, the matter of support for TGI’s program was discussed in
11 open session, and that during this meeting, several community members voiced concern over
12 opening a medical respite center at the Roseville Site. Following public discussion, the matter
13 was continued to a future meeting. Plaintiff is further informed and believes, and based thereon
14 alleges, that the matter was re-calendared for September 7, 2022, and at this meeting, additional
15 community members expressed concern for the project, and that following the discussion the item
16 died for lack of a motion.

17 20. Plaintiff is further informed and believes, and based thereon alleges, that the
18 Roseville City Council never provided TGI with a letter of support, and that as such TGI never
19 achieved all of the requirements for participation in the CCE Program. However, Plaintiff is
20 informed and believes, and based thereon alleges, that TGI did not inform CDSS of its failure to
21 obtain support from the Roseville City Council, choosing instead to remain silent. Plaintiff is
22 further informed and believes, and based thereon alleges, that after the Roseville City Council
23 pulled its support, TGI quickly undertook efforts to find a new location for the medical respite
24 facility, in the hopes that TGI would be able to amend its application for CCE Program funds, and
25 not lose its place in line for the receipt of program funds.

26 21. Plaintiff is informed and believes, and based thereon alleges, that on or about
27 September 22, 2022, CDSS sent a letter to TGI, informing TGI that its application for CCE
28 Program funds required clarification regarding the long-term operational sustainability of the

1 proposed medical respite facility. In this letter, CDSS informed TGI that it needed to provide
2 further information to AHP by October 6, 2022, but that further extensions could be afforded. A
3 true and correct copy of this letter is attached hereto as Exhibit “D.”

4 22. Plaintiff is informed and believes, and based thereon alleges, that after receipt of
5 this letter from CDSS in September 2022, TGI continued to remain silent about the fact that the
6 Roseville City Council had not given its support, and that TGI did what was needed to keep its
7 application for CCE Program funds alive, while at the same time looking for a new facility
8 location within Placer County that it could substitute for the Roseville Site.

9 23. Plaintiff is informed and believes, and based thereon alleges, that on January 13,
10 2023, CDSS sent TGI another correspondence, in which it again informed TGI that its application
11 was incomplete, and that TGI was otherwise ineligible for CCE Program funds. In this letter,
12 CDSS informed TGI that its incomplete application could be corrected, but that it needed to reach
13 out to AHP within ten business days in order to keep its application viable. A true and correct
14 copy of this communication is attached hereto as Exhibit “E.”

15 24. Plaintiff is informed and believes, and based thereon alleges, that in or about this
16 time in early 2023, TGI found a new site at 1660 Third Street in the City of Lincoln, County of
17 Placer, (the “Lincoln Site”), which is improved with a two-story, 50 room building, and which
18 can house in excess of 100 people. The Lincoln Site was formerly a senior assisted living and
19 memory care facility known as Gladding Ridge, which Plaintiff is further informed and believes,
20 and based thereon alleges, was closed in March 2024 due (at least in part) to aging infrastructure,
21 and the need to perform cost-prohibitive improvements and upgrades in order to bring the
22 structure into compliance with current codes and health and safety standards.

23 25. Plaintiff is informed and believes, and based thereon alleges, that after receiving
24 the January 13, 2023 correspondence from CDSS, and after locating the Lincoln Site as a
25 potential alternative, TGI reached out to AHP, and the parties set up a meeting to discuss TGI’s
26 application. Plaintiff is informed and believes, and based thereon alleges, that this meeting
27 occurred on February 6, 2023, and that during this meeting, TGI informed AHP for the first time
28 that the Roseville Site was no longer a viable option for a medical respite facility because there

1 was no support for the project from the City of Roseville. However, Plaintiff is informed and
2 believes, and based thereon alleges, that TGI told AHP during this meeting that it was attempting
3 to secure the Lincoln Site as an alternative site for the medical respite facility, and that it wished
4 to proceed with its application for CCE Program funds for a facility at the Lincoln Site.

5 26. Plaintiff is informed and believes, and based thereon alleges, that later in the day
6 on February 6, 2023, AHP sent TGI an email confirming what had occurred at the meeting. In
7 this email, AHP told TGI that by changing the location of the medical respite facility to the
8 Lincoln Site, it appeared that TGI was proposing a new project, and that TGI would have to start
9 the process over, and submit an entirely new application. AHP informed TGI that in the
10 alternative, TGI could request a re-review of its existing application by submitting additional
11 information. AHP informed TGI in this email that it would need to submit an updated “Form 6,”
12 and describe the community engagement and local support for the proposed project at the Lincoln
13 Site, and also indicate whether there was any opposition, and what TGI was going to do to
14 overcome that opposition. A true and correct copy of this email is attached hereto as Exhibit “F.”

15 27. Plaintiff is informed and believes, and based thereon alleges, that on February 13,
16 2023, TGI executed a letter of intent to buy the Lincoln Site, and on the same day TGI submitted,
17 through CDSS’s portal, a request for reconsideration and re-review of its application from
18 July 11, 2022. In this request, TGI changed out the Roseville Site for the Lincoln Site, and
19 described the project as a 60-bed medical respite facility on a 2.10-acre site, that would serve 480
20 medical respite guests annually. The application further noted that the site would be a “low
21 barrier” facility, providing treatment to those addicted to drugs by reinforcing positive change,
22 and “reducing the stigma associated with recreational and problematic drug use.” A true and
23 correct copy of TGI’s updated application to CDSS is attached hereto as Exhibit “G.” Plaintiff is
24 further informed and believes, and based thereon alleges, that TGI did not submit an updated
25 “Form 6” with an updated application, and that it never submitted an updated “Form 6” as
26 required by AHP in the February 6, 2023 email.

27 28. While TGI’s updated application identifies the Lincoln Site as a 60-bed facility,
28 the CCE Program website dashboard identifies TGI’s project in Lincoln as a 105-bed facility for

1 medical respite.¹ Plaintiff is informed and believes, and based thereon alleges, that TGI has
2 informed CDSS, AHP, and later Horne, that the Lincoln Site will be a 105-bed medical respite
3 facility, which TGI did so that it could show a lower total cost per bed. Plaintiff is informed and
4 believes, and based thereon alleges, that if TGI opens such a facility with this number of beds, it
5 will be the third largest medical respite facility in California, with the only two larger facilities
6 being located in Los Angeles and San Francisco.

7 29. Plaintiff is informed and believes, and based thereon alleges, that CDSS granted
8 TGI's application in or around May 2023, and awarded TGI \$6,440,670 in CCE Program funds
9 for the acquisition and operation of its planned medical respite facility at the Lincoln Site. Even
10 though TGI was required to include proof of community engagement and support for the Lincoln
11 Site, Plaintiff is informed and believes, and based thereon alleges, that no such proof was ever
12 provided as part of the application. Plaintiff is informed and believes, and based thereon alleges,
13 that TGI attached the same letters of support it had received from the project at the Roseville Site,
14 and it passed those letters off to CDSS as "community support" for the Lincoln Site. There do
15 not appear to be any letters of support for TGI's proposed medical respite facility in the City of
16 Lincoln that were included with TGI's application, nor does there appear to be any statement of
17 support from either the County of Placer, or anyone at the City of Lincoln. Plaintiff is informed
18 and believes, and based thereon alleges, that TGI never submitted an updated "Form 6"
19 evidencing its community engagement efforts for the Lincoln Site, and that this omission was
20 deliberate, because TGI made no effort whatsoever to try to obtain local community support from
21 stakeholders, including civic leaders, within the City of Lincoln.

22 30. Plaintiff is informed and believes, and based thereon alleges, that TGI purposefully
23 kept the local community and civic leaders in the City of Lincoln in the dark on its plan to open a
24 site in the City of Lincoln, even though it was required to seek such local support. Apparently
25 TGI learned its lesson from its failed attempt to open a medical respite facility in the City of
26 Roseville, and rather than engage the local community and try to win support for the project, TGI
27 chose to conceal what it was doing from the public, including City of Lincoln staff and elected
28

¹ See <https://www.ccegrant.com/data-dashboard/>
65301.00004\42931574.4

officials, until after it had been awarded \$6,440,670 in CCE Program money, and had closed escrow to buy the Lincoln Site.

31. The City Council and other City leadership staff were unaware of TGI's plans to open a medical respite facility until August 2024, which was after TGI had closed escrow and had obtained project funding. The City opposes this CCE Program project at the Lincoln Site as it has been proposed by TGI. TGI did not seek or obtain community support from Plaintiff or other key stakeholders, which it was required to do in advance of submitting an application to CDSS.

The City's Position on TGI's Proposed Facility

32. The City opposes the project at the Lincoln Site because there is no need for a 60-bed (or worse 105-bed) medical respite facility within the City. The population of persons experiencing homelessness within the City has dwindled in recent years due to the City's hard work in decreasing the local homeless population. If allowed to open, TGI's proposed facility would be one of the largest medical respite facilities in the state. The City has a population of only 52,000 residents, and the City has very few residents who are experiencing homelessness. Also, there is not a hospital in close proximity to the Lincoln Site. For a facility of this size to operate at sufficient numbers, homeless persons would necessarily have to be imported into the City from other locations throughout the County, and likely from even farther away, and given that there is no nearby hospital, the City strongly doubts that the Lincoln Site will only be used for medical respite.

33. The City also opposes the project at the Lincoln Site because the City is too small to handle a homeless medical respite facility of this size. The City does not have police, fire, and emergency medical resources that would be needed to absorb what would undoubtedly be an increase in calls for services at the Lincoln Site. In short, this is not a case of the City just not wanting any CCE Program facility in its jurisdiction. The problem here is the proposed project is far too large, and it is simply not needed to assist a relatively small homeless population in the City, or Placer County.

1 34. Moreover, the Lincoln Site is approximately 1,000 feet from Glen Edwards Middle
2 School, and is also in close proximity to two other schools. Plaintiff is informed and believes,
3 and based thereon alleges, that TGI also did not notify the school district, Western Placer Unified
4 School District, of its proposed project, until after close of escrow.

5 **TGI is Awarded Funding, And Makes Further Representations**

6 35. Plaintiff is informed and believes, and based thereon alleges, that TGI concealed
7 its lack of community support and engagement from AHP, Horne and/or CDSS, and that TGI
8 fraudulently induced CDSS and/or Horne to approve its application for funds for the Lincoln Site
9 by falsely stating that it had community support. Plaintiff is further informed and believes, and
10 based thereon alleges, that while AHP specifically told TGI on February 6, 2023 that it needed to
11 submit an undated "Form 6" and inform AHP and CDSS of its community engagement and local
12 support in the City of Lincoln, TGI had no intention of complying with this requirement for CCE
13 Program funds and had no intention of undertaking any community engagement in the City of
14 Lincoln, and that TGI purposefully submitted an undated application for the Lincoln Site without
15 an updated Form 6. Plaintiff is further informed and believes, and based thereon alleges, that TGI
16 was hoping that CDSS and its third-party administrator would not notice this omission, and that
17 TGI took advantage of the fact that in or around May 2023, CDSS hired Horne as the new third-
18 party administrator.

19 36. Plaintiff is informed and believes, and based thereon alleges, that when Horne took
20 over as the third-party administrator, it reviewed TGI's application, and determined that TGI had
21 fully complied with all program requirements. As such, even though there was no evidence of
22 any community engagement or support, CDSS made the decision in or around May 2023 to
23 award program funds to TGI for the Lincoln Site. Plaintiff is further informed and believes, and
24 based thereon alleges, that at some point after TGI was awarded \$6,440,670 in CCE Program
25 funds, Horne entered into a Program Funding Agreement with TGI. Plaintiff does not at present
26 have a copy of the signed agreement because TGI is refusing to provide the City with a copy, but
27 Plaintiff is informed and believes, and based thereon alleges, that the Program Funding
28 Agreement is substantially in the same form as the sample Program Funding Agreement that is

1 located on the CCE Program website, which is attached hereto (without all attachments) as
2 Exhibit “H.”

3 37. Plaintiff is informed and believes, and based thereon alleges, that while AHP was
4 the third-party administrator when TGI submitted its application and request for reconsideration,
5 Horne had taken over as the third-party administrator by the time the application was approved.
6 Plaintiff is further informed and believes, and based thereon alleges, that Horne reviewed the
7 application and deemed it to be complete, even though it was not, and as such CDSS approved the
8 application and awarded CCE Program funds to TGI. As a contract third-party administrator for
9 CDSS, Horne has a public duty to administer this agreement, and to protect taxpayer money, on
10 behalf of CDSS. This includes insuring that all applicants for CCE Program funds are complying
11 with all of CDSS’s program requirements, including those that are set forth in the RFA.

12 38. According to this Program Funding Agreement, the form RFA is attached to the
13 agreement as Attachment M, and the requirements of the RFA are included within the contract
14 definition of “Program Requirements”. In other words, according to the plain language of this
15 agreement, a showing of community engagement and support is a “Program Requirement”.
16 Article 9.1 of the Program Funding Agreement provides that a violation of any Program
17 Requirement is an “Event of Default,” for which the agreement can be terminated. Under Article
18 9.1, it is also an “Event of Default” if Horne and/or CDSS determine that an applicant concealed
19 material information, or gave information that was untrue or misleading. Under Article 10, an
20 “Event of Default” subjects the Program Funding Agreement to termination.

21 39. Plaintiff is informed and believes, and based thereon alleges, that in its application,
22 TGI also represented to CDSS (and AHP and Horne) that the Lincoln Site is ready for turnkey
23 operations, and that no renovations were needed to operate a medical respite facility. Plaintiff is
24 informed and believes, and based thereon alleges, that in addition to misleading CDSS and Horne
25 regarding its lack of community engagement and local support, TGI also misled CDSS and Horne
26 regarding the condition of the facility. TGI wrote in its application to CDSS that the building is
27 “ready for turnkey operations.” TGI further wrote in its application that “[t]here is minimal
28 renovation work required to begin operation.”

1 40. In submitting an application for CCE Program funds to CDSS with this language,
2 TGI made material representations to CDSS (and AHP and Horne) that the building at the
3 Lincoln Site did not require any renovation, or at worst minimal renovation, and that it was ready
4 to open and receive medical respite patients. This representation was false. The building at
5 Lincoln Site is not a “turnkey” facility. There is substantial deferred maintenance, and there are
6 numerous violations of the Lincoln Municipal Code and California Building Code at the site. At
7 present the structure is not suitable for any human habitation, let alone for operation as a medical
8 respite facility. There are numerous and substantial violations of the California Fire Code in the
9 building at the Lincoln Site, which renders the building unsafe. To date, TGI has not applied for
10 all necessary permits with the City Building Official, and there is no certificate of occupancy,
11 which will be required for TGI to open as a medical respite facility.

12 **The Current Condition of the Building at the Lincoln Site**

13 41. Plaintiff is informed and believes, and based thereon alleges, that even though
14 building permits have not been issued and there is no certificate of occupancy with the City that
15 would allow for human occupation of the site, TGI is performing finishing construction work at
16 the Lincoln Site. On September 20, 2024, City officials conducted an inspection of the Lincoln
17 Site pursuant to a judicially issued inspection warrant. The City had sought voluntary compliance
18 from TGI to inspect the building, but TGI repeatedly stonewalled the City in its efforts to inspect
19 the building. The City is informed and believes, and based thereon alleges, that TGI refused to
20 allow the City to enter voluntarily because TGI knew full well, and has known all along, that the
21 building is not a “turnkey”, and is not even close to being ready for operation and human
22 habitation. During the September 20th inspection, the City observed numerous and serious
23 violations of the California Building Code and California Fire Code, and has since pointed out to
24 TGI the violations that the City was able to observe at the September 20th inspection. Following
25 this inspection, the City Building Official and Deputy Fire Chief prepared reports, which
26 summarize the inspections and the numerous code violations that were observed. A true and
27 correct copy of these reports, which were provided to TGI, are attached hereto as Exhibits “I”
28 and “J”.

1 42. Plaintiff is informed and believes, and based thereon alleges, that TGI was
2 performing finishing repair work as quickly as possible because it wanted to open the facility and
3 move patients in quickly before any injunctive relief can be issued. However, after the City
4 provided TGI with the reports (Exs. "I" and "J"), TGI has since represented that it would not open
5 the site and accept patients until all code violations are cured, and a certificate of occupancy is
6 issued by the City Building Official. As of the date of this First Amended Complaint, TGI still
7 has not yet applied for all necessary permits to undertake the repair work, and Plaintiff is
8 informed and believes, and based thereon alleges, that Lincoln Site remains closed. Plaintiff is
9 informed and believes, and based thereon alleges, that had the City not obtained an inspection
10 warrant and inspected the Lincoln Site, TGI would have completed finishing work and would
11 have opened the site for business, even though the substantial building code and fire code
12 violations exist at the Lincoln Site, and it is not currently fit for human habitation.

13 43. Plaintiff is further informed and believes, and based thereon alleges, that another
14 reason TGI was trying to perform superficial repairs as quickly as possible and move people in
15 and begin operations is that if TGI is forced to obtain permits, and otherwise perform the
16 substantial work that is required to make the building safe for human habitation, it would become
17 a "red flag" for CDSS and Horne, and that CDSS and Horne would likely review the project
18 documents with greater scrutiny, and realize that TGI made material misstatements in its
19 application for CCE Program funds.

20 44. As a direct and proximate result of TGI's wrongdoing as alleged herein, Plaintiff
21 has incurred and will continue to incur damages. Plaintiff has been forced to expend resources,
22 and incur staff and attorney time in investigating and responding to TGI's proposed CCE
23 Program project for a medical respite facility at the Lincoln Site, and in investigating the
24 condition of the building at the Lincoln Site, so that the City, in the exercise of its police powers,
25 insures that TGI does not open and begin operating a medical respite facility in the City that is not
26 safe for human habitation. Plaintiff's damages are currently unknown in their amount, but are
27 and/or will be in excess of the jurisdictional minimum of the Court.
28

**FIRST CAUSE OF ACTION FOR
PRELIMINARY AND PERMANENT INJUNCTION –ABATEMENT OF PUBLIC
NUISANCE (CIVIL CODE)**

(By City of Lincoln Against The Gathering Inn, and Does 1 through 10)

45. The City re-alleges and incorporates by reference the allegations set forth in paragraphs 1 through 44 above.

46. Plaintiff is informed and believes, and based thereon alleges, that Defendant TGI has violated, or may soon violate the City of Lincoln Municipal Code (“LMC”), California Building Code and California Fire Code by maintaining and occupying a building at the Lincoln Site with numerous violations of the California Building Code and California Fire Code. This building is currently unsafe for human habitation, and neither building permits nor a certificate of occupancy has been issued for the Lincoln Site by the City Building Official. To date, Plaintiff has not applied to the City Building Official for permits, which will be necessary to perform the work that is needed to bring the building at the Lincoln Site into compliance with all codes alleged herein and to make it safe for human habitation.

47. LMC Section 1.16.030 provides that any violation of the LMC is declared to be a public nuisance. LMC Section 8.08.050 provides that any violation of the Uniform Building Code, as incorporated in to the California Building Code, which includes Plumbing and Electrical Codes, and California Fire Code, is declared to be a public nuisance.

48. The aforementioned actions of TGI constitute and/or will constitute a public nuisance, and if TGI performs the repair work for the violations that are identified in the reports, and/or opens a medical respite facility at the Lincoln Site without obtaining a certificate of occupancy, this will constitute a public nuisance within the meaning of Civil Code Sections 3479 and 3480.

49. LMC Chapter 1.20 and Chapter 8.08 provide that the City may initiate this civil enforcement proceeding to abate nuisances, in lieu of or in addition to any administrative processes pursuant to the LMC.

50. Government Code Section 38773.5 provides that a city may adopt an ordinance that provides for recovery of attorneys' fees and costs in any action to abate a nuisance. LMC Section 8.08.100 provides for an award of attorney fees and costs.

51. TGI has threatened to and will, unless restrained by this Court, continue to maintain the public nuisance, and continue the acts complained of, and each and every act has been and will be, without the consent, against the will, and in violation of the LMC and the rights of the City.

52. The City has no plain, speedy or adequate remedy at law, and injunctive relief is authorized by Code of Civil Procedure Sections 526 and 731. Unless TGI is enjoined from the aforementioned actions, the City will suffer irreparable injury.

53. Plaintiff is informed and believes, and based thereon alleges, that TGI will continue to violate the law unless restrained, and Plaintiff will therefore seek a temporary restraining order and/or a preliminary injunction.

**SECOND CAUSE OF ACTION FOR
PRELIMINARY AND PERMANENT INJUNCTION, AND CIVIL PENALTIES—
UNFAIR BUSINESS PRACTICES (BUSINESS AND PROFESSIONS CODE SECTION
17200 ET. SEQ.)**

(By City of Lincoln, by and for the People of the State of California Against The
Gathering Inn, and Does 1 through 10)

54. The City, for the People of the State of California re-alleges and incorporates by reference the allegations set forth in paragraphs 1 through 53, above.

55. California Business and Professions Code Section 17200 prohibits unfair business practices, which includes any business practice that is unfair, unlawful or fraudulent.

56. California Business and Professions Code Section 17203 provides that any person who engages in, has engaged in, or proposes to engage in, unfair business practices may be enjoined in any court of competent jurisdiction.

57. California Business and Professions Code Section 17206 provides that any person who engages in unfair business practices shall be liable for civil penalties.

1 58. California Business and Professions Code Section 17204 provides, in relevant part,
2 that an action under Section 17200 may be brought by a city prosecutor in a city having a full-
3 time city prosecutor in the name of the people of the State of California as long as he/she has the
4 consent of the district attorney. Plaintiff is such a city with a full-time city prosecutor. Plaintiff
5 has an “in-house” full-time City Attorney, Kristine Mollenkopf, whose duties are set forth in
6 LMC Section 2.17.040. Among others, these duties include “Prosecut[ing] on behalf of the
7 people cases for violations of city ordinance.” (LMC § 2.17.040(4).) Ms. Mollenkopf performs
8 all of the enumerated duties set forth in LMC Section 2.17.040, and she does not spend the
9 entirety of her time prosecuting cases on behalf of the people. However, because she is a full-
10 time “in-house” City Attorney for Plaintiff, and her enumerated duties include prosecuting cases
11 on behalf of the people, Ms. Mollenkopf is authorized to bring this cause of action on behalf of
12 the people. Moreover, Ms. Mollenkopf has obtained consent from the District Attorney for Placer
13 County to bring this action, and as such Plaintiff brings this cause of action by and on behalf of
14 the People of California.

15 59. Plaintiff is informed and believes, and based thereon alleges, that TGI has violated
16 federal, state and local law as set forth above. These violations include, but are not necessarily
17 limited to, (i) submitting a false and misleading application to CDSS for CCE Program funds,
18 wherein TGI did not engage in local community outreach, and did not have local support, for the
19 project at the Lincoln Site, and (ii) falsely representing to CDSS that the Lincoln Site was a
20 turnkey operation and was capable of being operated as a medical respite facility without
21 improvements, when in reality, the Lincoln Site needs substantial improvements to be habitable.

22 60. Plaintiff is informed and believes, and based thereon alleges, that TGI likewise has
23 also violated and/or will violate state and local law by constructing improvements at the Lincoln
24 Site and preparing it for human habitation without correcting major life-safety deficiencies to the
25 structure at the Lincoln Site, and without obtaining a certificate of occupancy. These violations
26 and continuing behavior constitute unlawful business practices under Business and Professions
27 Code Section 17200.
28

1 operation, and that the building could be occupied without renovation. TGI misled CDSS and
2 Horne and concealed the true facts regarding its Lincoln Site project, and it fraudulently induced
3 CDSS and Horne into accepting it in the CCE Program, and awarding it CCE Program funds for
4 the acquisition of the Lincoln Site. In reality, TGI's application was never complete, and based
5 on the regulatory instruction of CDSS as set forth in the RFA, TGI did not meet the eligibility
6 requirements, and was not entitled to an award of CCE Program funds.

7 67. The Program Funding Agreement contains a "Right to Cure" provision, which
8 generally provides that Horne and CDSS give an applicant 14 days' notice and an opportunity to
9 cure before terminating the agreement. Because TGI misled and fraudulently induced CDSS and
10 Horne into granting its application when TGI otherwise was not eligible to participate in the CCE
11 Program, there is no possible way that TGI can cure its breaches of the agreement, and
12 termination of the agreement is the only possible outcome given TGI's conduct.

13 68. The City has a beneficial interest in the outcome of this petition and has standing
14 to bring a claim for writ of mandate because the City, and those members of the public that live,
15 work and go to school within the City, have a right and interest in receiving notice and providing
16 input to any project within its jurisdiction that receives CCE Program funding. The City should
17 have been notified, and TGI should have sought community support, and indeed was required to
18 seek community support from civil leaders, including the City Council and top City staff, before
19 applying for CCE Program funding, and entering into a Program Funding Agreement.

20 69. At bottom, CDSS and Horne should not have approved TGI's application and
21 should not have awarded any CCE Program funds to TGI for the Lincoln Site project because
22 TGI did not submit an application that met all of the regulatory requirements as set forth in the
23 RFA and Program Funding Agreement. CDSS and Horne are now under a mandatory duty to
24 rescind their acceptance of TGI into the CCE Program, to declare an event of default, to seek a
25 termination of the Program Funding Agreement, and to seek a reimbursement of any and all CCE
26 Program funds conveyed to date.

27 70. CDSS's and Horne's ongoing and continuing failure to perform its mandatory duty
28 has and will cause the City, and all members of the general public who live, work and go to

1 school within the City, to suffer substantial, clear and certain irreparable injury. Plaintiff is
2 informed and believes, and based thereon alleges, that unless and until CDSS and Horne rescind
3 the acceptance of TGI in to the CCE Program, and enforce the Program Funding Agreement and
4 seek a termination of the same and a refund of any CCE Program funds provided to TGI, CDSS's
5 and Horne's conduct will continue, and TGI will continue to use CCE Program funds that should
6 not have been awarded.

7 71. Plaintiff has no plain, speedy or adequate remedy at law because Plaintiff is
8 informed and believes, and based thereon alleges, that CDSS and Horne will continue to allow
9 TGI to use the ill-gotten CCE Program funds to acquire and operate a medical respite facility that
10 should not have been acquired and should not be operated. For the reasons discussed above, there
11 is no reason to open a 60-bed (or 105-bed) medical respite facility in the City given the relatively
12 small homeless population within the City, and this facility will be in close proximity to a middle
13 school. CDSS and Horne will continue to fund TGI and carry out the terms of the Program
14 Funding Agreement unless they are restrained from doing so by the Court.

15 **FOURTH CAUSE OF ACTION FOR**
16 **DECLARATORY RELIEF (CODE OF CIVIL PROCEDURE SECTION 1060)**

17 (By City of Lincoln Against all Defendants)

18 72. The City re-alleges and incorporates by reference the allegations set forth in
19 paragraphs 1 through 71, above.

20 73. The City has an interest in the CCE Program requirements that are set forth in the
21 RFA and that have the effect of regulation, and the City further has an interest in the Program
22 Funding Agreement between TGI and Horne, because the CCE Program requirements and the
23 Program Funding Agreement require an applicant like TGI to demonstrate local community
24 engagement and outreach to civic leaders, and to show that there is local support for the project
25 before the applicant submits its application for CCE Program funds.

26 74. Plaintiff is informed and believes, and based thereon alleges, that pursuant to
27 CDSS's instruction in the RFA, which has the same force and effect as regulation, TGI was
28 required to show local community engagement and support from civic leaders within the City of

1 Lincoln for its proposed project at the Lincoln Site before submitting an application for CCE
2 Program funds for the Lincoln Site.

3 75. Plaintiff is informed and believes, and based thereon alleges, that under the plain
4 language of the Program Funding Agreement, TGI was required to show local community
5 engagement and support from civic leaders within the City of Lincoln, i.e. the City Council and
6 key City staff, as a condition for eligibility to enter in to the Program Funding Agreement.

7 76. Plaintiff is informed and believes, and based thereon alleges, that TGI has never
8 made such a showing of local community engagement and support from civic leaders within the
9 City of Lincoln because TGI never reached out to any civic leaders or other potential stakeholders
10 within the City of Lincoln prior to applying for CCE Program funds, during the application
11 process, or even after the award of program funds for the Lincoln Site.

12 77. Plaintiff is informed and believes, and based thereon alleges, that TGI knew that it
13 needed to seek support from the City Council and key City staff with the City of Lincoln as a
14 condition for applying for CCE Program funds, as evidenced by the fact that TGI attempted to
15 obtain support from the Roseville City Council and key staff as part of its initial application. Yet
16 TGI did not attempt to obtain support from the City Council and key staff at the City of Lincoln
17 either prior to or during the application process, and it concealed this from CDSS, AHP and
18 Horne, as well as Plaintiff.

19 78. Plaintiff is informed and believes, and based thereon alleges, that TGI disputes that
20 it is required to show local community engagement and support under the RFA instructions of
21 CDSS, which have the same force and effect as regulation, or under the Program Funding
22 Agreement, and/or that it has not made such a showing of local community engagement and
23 support.

24 79. Plaintiff is informed and believes, and based thereon alleges, that CDSS, AHP and
25 Horne are/were unaware of TGI's failure to have engaged the local community and to have
26 obtained local community support within the City of Lincoln prior to submitting its application or
27 during the application process. However, to the extent that CDSS, AHP and/or Horne are/were
28 aware of TGI's misconduct as stated herein, then in the alternative Plaintiff pleads that CDSS

1 and/or Horne likewise dispute that TGI is required to show local community engagement and
2 support under either the requirements set forth in the RFA or the Program Funding Agreement,
3 and/or that TGI has not made such a showing.

4 80. The City is informed and believes, and based thereon alleges, that there is now a
5 ripe and actual controversy between these parties regarding these requirements as set forth in the
6 RFA and under the Program Funding Agreement, and TGI's lack of performance of the same.

7 **FIFTH CAUSE OF ACTION FOR**
8 **DECEIT/CONCEALMENT (CIVIL CODE SECTIONS 1709 AND 1710)**

9 (By City of Lincoln Against The Gathering Inn, and Does 1-10)

10 81. The City re-alleges and incorporates by reference the allegations set forth in
11 paragraphs 1 through 80, above.

12 82. The City is informed and believes, and based thereon alleges, that TGI had a duty
13 to reach out to civic leaders in the City of Lincoln, including the City Council and top City staff,
14 and to seek and obtain their support for the proposed project at the Lincoln Site, which was a
15 precondition to TGI submitting an application for CCE Program funds. This duty is further set
16 forth in RFA instructions, which have the same force and effect as regulation, and in the Program
17 Funding Agreement.

18 83. The City is informed and believes, and based thereon alleges, that TGI knew that
19 its application for CCE Program funds required a showing of local community engagement and
20 support, and knew that it was required to engage civic leaders within the City of Lincoln and
21 obtain their support for the project prior to submitting an application for CCE Program funds.

22 84. Nevertheless, TGI failed to engage the City's elected leaders and staff and obtain
23 local community support within the City of Lincoln prior to submitting its application for CCE
24 Program funds, and TGI concealed its acquisition of the Lincoln Site and its project to open a
25 medical respite center on the Lincoln Site until after it had successfully secured CCE Program
26 funds, and had acquired the Lincoln Site. TGI also duped the City, and the Lincoln community at
27 large, by publicizing that its proposed project was going to be in Roseville, rather than Lincoln,
28 and TGI never notified anyone within the City of Lincoln of its plans to use the Lincoln Site as an

1 alternate site to the Roseville Site, until after it had been awarded CCE Program funds, and after it
2 closed escrow on the Lincoln Site. In so doing, TGI misled the City elected officials, City staff,
3 and all other community stakeholders into believing that TGI was going to open a facility in
4 Roseville, and not in Lincoln, and it concealed the true facts from Plaintiff.

5 85. Plaintiff is informed and believes, and based thereon alleges, that TGI had a duty
6 to disclose to Plaintiff its intent to apply for and obtain CCE Program funds for a medical respite
7 facility within the City of Lincoln. While AB 172 exempts projects using CCE Program funds
8 from local land use authority, the Legislature, as well as CDSS and DHCS did not intend to
9 deprive local jurisdictions of any voice in the process. As is set forth in the requirements of the
10 RFA that was prepared by CDSS and DHCS, an applicant was required to engage and seek
11 support from local stakeholders, including civic leaders (i.e. local elected officials and key staff)
12 prior to applying for CCE Program funds. These requirements have the same force and effect as
13 regulations, and as such, TGI had a duty to notify Plaintiff and seek support for its proposed
14 medical respite facility at the Lincoln Site.

15 86. TGI's concealment denied the City of any opportunity to be heard and to otherwise
16 participate in the process before the CCE Program funding was awarded for the project at the
17 Lincoln Site, and it denied the City the opportunity to seek to mitigate the harms of a project at
18 the Lincoln Site, which was intended by the CCE Program funding requirements.

19 87. If the City had been informed of the true facts, it would have participated in the
20 community engagement process as contemplated by the CCE Program funding requirements, and
21 would have sought to mitigate the harms of a project at the Lincoln Site as set forth above, or it
22 would have sought to have the facility moved to a different location, either within the City or in
23 another part of Placer County.

24 88. Plaintiff has no plain, speedy or adequate remedy at law because Plaintiff is
25 informed and believes, and based thereon alleges, that CDSS and Horne will continue to allow
26 TGI to use the ill-gotten CCE Program funds that TGI acquired through fraud and concealment.
27 For the reasons discussed above, there is no reason to open a 60-bed (or 105-bed) medical respite
28 facility in the City given the relatively small homeless population within the City, and this facility

1 will be in close proximity to a middle school. CDSS and Horne will continue to fund TGI and
2 carry out the terms of the Program Funding Agreement unless they are restrained from doing so
3 by the Court.

4 89. As a direct and proximate result of TGI's deceit and concealment as alleged
5 herein, the City has been and/or will be damaged in an amount to be proved at trial, but in excess
6 of the jurisdictional minimum of this Court.

7 90. The City is informed and believes, and based thereon alleges, that TGI acted with
8 oppression, fraud and malice, which entitles the City to an award of punitive damages.

9 91. Plaintiff is informed and believes and, based thereon alleges that TGI's deceit
10 and/or concealment as stated herein was malicious, fraudulent, oppressive and unconscionable,
11 and that an award of exemplary and punitive damages is warranted in amount to be proven at
12 trial.

13 **SIXTH CAUSE OF ACTION FOR**
14 **FRAUD AND CONCEALMENT (TORT OF ANOTHER DOCTRINE)**

15 (By City of Lincoln Against The Gathering Inn, and Does 1-10)

16 92. The City re-alleges and incorporates by reference the allegations set forth in
17 paragraphs 1 through 91, above.

18 93. The City is informed and believes, and based thereon alleges, that TGI knew its
19 application for CCE Program funds required a showing of local community engagement and
20 support, and that there had been no local community engagement and there was no local support
21 for the proposed project at the Lincoln Site. Nevertheless, TGI misrepresented and/or concealed
22 the true facts from CDSS, AHP, Horne and the City, and TGI fraudulently induced CDSS and/or
23 Horne into awarding TGI CCE Program funds, and entering into the Program Funding Agreement
24 with TGI. The City is further informed and believes, and based thereon alleges, that TGI
25 misrepresented to CDSS, AHP and/or Horne that the Lincoln Site is ready for turnkey operations,
26 and that no renovations were needed to operate a medical respite facility. In reality, the existing
27 building at the Lincoln Site requires substantial improvements and upgrades in order to bring the
28 facility into compliance with the California Building Code and California Fire Code.

1 94. The City is informed and believes, and based thereon alleges, that CDSS, AHP
2 and/or Horne relied on TGI's misrepresentations in awarding CCE Program funds to TGI. The
3 City is further informed and believes, and based thereon alleges, that TGI had a duty to inform the
4 City, CDSS, AHP and Horne of the true facts regarding community engagement and support, as
5 well as the condition of the building located on the Lincoln Site. The City is further informed and
6 believes, and based thereon alleges, that CDSS, AHP and/or Horne reasonably relied on the
7 misrepresentations, and were fraudulently induced to approve TGI's incomplete and improper
8 application, and to enter into the Program Funding Agreement with TGI.

9 95. As a direct and proximate result of TGI's fraud and concealment, the City has been
10 and/or will be damaged in an amount to be proven at trial, but in excess of the jurisdictional
11 minimum of this Court. The City has been forced and will be forced to incur attorneys' fees in
12 bringing this action to compel CDSS and/or Horne to rescind the acceptance of TGI into the CCE
13 Program, to terminate the Program Funding Agreement and to recover the CCE Program funds
14 that were improperly provided. The City has been forced to bring this action to protect its
15 citizens, as well as all taxpayers in California, against TGI improperly opening a medical respite
16 facility at the Lincoln Site, and the City now asserts attorneys' fees that it has and will incur in
17 this action as damages under the Tort of Another Doctrine.

18 PRAYER

19 WHEREFORE, Plaintiffs pray for judgment as follows:

20 ON THE FIRST CAUSE OF ACTION

1. For a preliminary and permanent injunction, enjoining The Gathering Inn from maintaining violations of State and local law, and requiring them to cure all violations of law, and to abate all nuisance conditions on the Lincoln Site project site to the satisfaction of Plaintiff within a reasonable period of time, and certainly prior to opening the facility;

25 2. For attorneys' fees (if and as allowed by law) and costs; and

26 3. For such other and further relief as is just and proper.

1 ON THE SECOND CAUSE OF ACTION

2 4. For a preliminary and permanent injunction, enjoining The Gathering Inn from
3 maintaining violations of State and local law at the Lincoln Site, enjoining The Gathering Inn to
4 keep the facility at the Lincoln Site closed, and compelling The Gathering Inn to abandon the
5 project at this site, and to either seek an alternate site, or to refund the CCE Program funds that it
6 received from CDSS for the project;

7 5. For civil penalties, according to proof;

8 6. For attorneys' fees (if and as allowed by law) and costs; and

9 7. For such other and further relief as is just and proper.

10 ON THE THIRD CAUSE OF ACTION

11 8. For issuance of a writ of mandate directing California Department of Social
12 Services and Horne to declare that TGI is in violation of CCE Program requirements and to
13 rescind the acceptance of TGI into the CCE Program, to declare an event of default under the
14 Program Funding Agreement, to terminate the agreement, and to seek a refund from TGI for all
15 CCE Program funds that were provided for the Lincoln Site project;

16 9. For attorneys' fees (if and as allowed by law) and costs; and

17 10. For such other and further relief as is just and proper.

18 ON THE FOURTH CAUSE OF ACTION

19 11. For a declaratory judgment that the CCE Program regulations, as well as the
20 Program Funding Agreement requires a showing of local community engagement and support,
21 and that TGI failed to comply with the regulations and is in breach of the agreement because it
22 has not made such a showing;

23 12. For attorneys' fees (if and as allowed by law) and costs; and

24 13. For such other and further relief as is just and proper.

25 ON THE FIFTH CAUSE OF ACTION

26 14. For a preliminary and permanent injunction, enjoining The Gathering Inn from
27 maintaining violations of State and local law at the Lincoln Site, enjoining The Gathering Inn to
28 keep the facility at the Lincoln Site closed, and compelling The Gathering Inn to abandon the

project at this site, and to either seek an alternate site, or to refund the CCE Program funds that it received from CDSS for the project;

15. For damages in an amount to be determined at trial;
16. For punitive damages in an amount to be determined at trial;
17. For costs; and
18. For such other and further relief as is just and proper.

ON THE SIXTH CAUSE OF ACTION

19. For attorneys' fees as damages in an amount to be determined at trial;
 20. For costs; and
- For such other and further relief as is just and proper.

Dated: November 22, 2024

BEST BEST & KRIEGER LLP


By: 
CHRISTOPHER M. PISANO
PATRICIA URSEA
CINDY Z. SHI
Attorneys for Plaintiff/Petitioner
CITY OF LINCOLN

EXHIBIT A



DHCS Behavioral Health Continuum Infrastructure Program Launch Ready Grant and CDSS Community Care Expansion Program Joint Request for Applications (RFA)

Contents

Part One: Overview.....	3
1.1. Introduction to the Grant Opportunity and Funding.....	3
1.2. Purpose and Program Objectives—State Priorities	3
1.3. Authorizing and Applicable Law.....	5
1.4. Timeline.....	5
Part Two: Application, Submission, Award	6
2.1. Total Grant Amounts.....	6
2.2. Application Process.....	6
BHCIP	6



CCE	6
2.3. Pre-Application Consultations and TA	9
2.4. Application Scoring Criteria	9
2.5. Award Process.....	10
2.6. Appeals.....	11
Part Three: Program Requirements.....	11
3.1. Eligibility Criteria	11
3.2. Eligible Uses	12
3.3. Match	14
3.4. General Program Requirements	15
3.5. Pre-Development (CCE Only)	16
3.6. Budget Development	17
3.7. Capitalized Operating Subsidy Reserve (COSR) (CCE).....	17
3.8. Accessibility and Non-Discrimination	17
3.9. State & Federal Prevailing Wage.....	18
3.10. Exemptions.....	19
3.11. California Environmental Quality Act (CEQA) Exemption (BHCIP ONLY)	19
3.12 Low-Rent Housing Project Exemption	19
Part Four: Program Operations.....	20
4.1. Program Oversight and Reporting	20
4.2. Disbursement of Grant Funds.....	21
Part Five: Attachments.....	21



Part One: Overview

1.1. INTRODUCTION TO THE GRANT OPPORTUNITY AND FUNDING

California Health and Human Services Agency (CalHHS) infrastructure funding, alongside significant new state and federal investments in homelessness, healthcare delivery reform, and the social safety net, is addressing historic gaps in the behavioral health and long-term care continuum to meet growing demand for services and supports across the life span.

The California Department of Health Care Services (DHCS) and California Department of Social Services (CDSS) are working in tandem to design and implement two new programs to support infrastructure projects: the Behavioral Health Continuum Infrastructure Program (BHCIP) and the Community Care Expansion (CCE) program. These investments will ensure care can be provided in the least restrictive settings by creating a wide range of options including outpatient alternatives, urgent care, peer respite, wellness centers, and social rehabilitation models. A variety of care placements can provide a vital off-ramp from intensive behavioral health service settings and transition individuals—including the most vulnerable and those experiencing or at risk of homelessness—to safe community living. Investing in adult and senior care facilities will divert Supplemental Security Income/State Supplementary Payment (SSI/SSP) and Cash Assistance Program for Immigrants (CAPI) applicants and recipients from homelessness as a key part of California’s strategic multi-agency approach to increase housing options for seniors and persons with disabilities.

DHCS was authorized through 2021 [legislation](#) to establish BHCIP and award approximately \$2.1 billion to construct, acquire, and expand properties and invest in mobile crisis infrastructure related to behavioral health. CDSS oversees CCE, which was established through [Assembly Bill \(AB\) 172](#) (Chapter 696, of Statutes 2021) as a companion effort focused on the acquisition, construction, and rehabilitation of adult and senior care facilities that serve SSI/SSP and CAPI applicants and recipients and other adults who are experiencing or at risk of homelessness.

These combined programs represent the largest such provision of resources for such infrastructure in the state’s history and an unprecedented opportunity to effect meaningful, sustainable change in the behavioral health and long-term care continuums in California.

1.2. PURPOSE AND PROGRAM OBJECTIVES—STATE PRIORITIES

Both BHCIP and CCE are designed to address the following State Priorities:

- Invest in behavioral health and community care options that advance racial equity
- Seek geographic equity of behavioral health and community care options
- Address urgent gaps in the care continuum for people with behavioral health conditions, including seniors, adults with disabilities, and children and youth
- Increase options across the life span that serve as an alternative to incarceration, hospitalization, homelessness, and institutionalization
- Meet the needs of vulnerable populations with the greatest barriers to access, including people experiencing homelessness and justice involvement



- Ensure care can be provided in the least restrictive settings to support community integration, choice, and autonomy
- Leverage county and Medi-Cal investments to support ongoing sustainability
- Leverage the historic state investments in housing and homelessness

DHCS is releasing BHCIP funds through six grant rounds targeting various gaps in the state's behavioral health facility infrastructure.

BHCIP Rounds 1 and 2 were released in 2021:

- Round 1: Mobile Crisis, \$205M (\$55M Substance Abuse and Mental Health Services Administration grant funding)
- Round 2: County and Tribal Planning Grants, \$16M

The remaining BHCIP rounds will be released in 2022:

- Round 3: Launch Ready, \$518.5M
- Round 4: Children & Youth, \$480.5M
- Round 5: Behavioral Health Needs Assessment Phase One, \$480M
- Round 6: Behavioral Health Needs Assessment Phase Two, \$480.7M

Round 3: Launch Ready (\$518.5M), will provide funding to construct, acquire, and rehabilitate real estate assets to expand the behavioral health continuum of treatment and service resources in settings that serve Medicaid (Medi-Cal) beneficiaries. Proposed behavioral health infrastructure projects must demonstrate they have been through a planning process and are ready for implementation. For Round 3: Launch Ready, applications will only be accepted from projects that are determined to be launch ready and are submitted according to the timeline in this RFA (Section 1.4). Awarded grant funds for Round 3: Launch Ready must be obligated by June 2024 and liquidated by December 2026.

The CCE program will provide \$805 million in funding for acquisition, construction, and rehabilitation to preserve and expand adult and senior care facilities that serve SSI/SSP and CAPI applicants and recipients, including those who are experiencing or at risk of homelessness.

CCE Capital Expansion

- Approximately 75 percent of funds (\$570,000,000) will be made available for capital expansion projects, including acquisition, construction, and rehabilitation of residential care settings. Grantees may be approved to use a portion of these funds to establish a capitalized operating subsidy reserve (COSR) for these projects, available for use for up to 5 years.
- Applications for CCE Capital Expansion project funding will be accepted on a project-by-project basis through this joint RFA and funded on a rolling basis until funds are exhausted. However, projects that cannot be funded prior to applicable obligation and liquidation deadlines may not be funded. A portion of the CCE budget includes Home and Community-Based Services (HCBS) funding that must be obligated by December 2023 and liquidated by June 2026, as well as State Fiscal Recovery Funds (SFRF) that must be obligated by June 2024 and liquidated by December 2026. The exact timeline for obligation and liquidation of funds for each funded project will be provided in the grant award announcement.



CCE Preservation, Including Capital Preservation

- Approximately 25 percent of the funds will be made available for rehabilitation to preserve settings that currently serve the target populations, including \$55 million for a COSR for existing licensed facilities, including but not limited to those facilities that receive preservation capital funding. These funds will be provided to counties and tribes through a direct-to-county and -tribe allocation process that will be announced separately from this joint RFA.

1.3. AUTHORIZING AND APPLICABLE LAW

BHCIP: [Welfare and Institutions Code, Division 5, Part 7](#)

CCE: [Welfare and Institutions Code, Division 9, Part 6](#), commencing with section 18999.97

1.4. TIMELINE

Table 1a: Timeline for BHCIP Applications

RFA release	January 31, 2022
Pre-application consultations	Beginning February 1, 2022; ongoing
Application portal open	February 15, 2022
Joint RFA informational webinar Please preregister.	February 10, 2022; 10:30 a.m.-12:00 p.m. PT
Frequently asked questions	Updated regularly and posted on website
Deadline for questions	7 days prior to each application due date
Part One application due date*	March 31, 2022
Part Two application due date*	May 31, 2022
Part One Award announcements*	May/June 2022
Part Two Award announcements*	July/August 2022

*See Section 2.2 Application Process (page 6)

Table 1b: Timeline for CCE Applications

RFA release	January 31, 2022
Pre-application consultations	Beginning February 1, 2022; ongoing
Application portal open	February 15, 2022
Joint RFA informational webinar Please preregister.	February 10, 2022; 10:30 a.m.-12:00 p.m. PT
Frequently asked questions	Updated regularly and posted on website
Deadline for questions	Ongoing
Application due date	Accepted on a rolling basis until grant funds are exhausted
Award announcements	Beginning in March 2022 and ongoing
Evaluation of statewide funding redistribution	October 2022



Part Two: Application, Submission, Award

2.1. TOTAL GRANT AMOUNTS

BHCIP Launch Ready: \$518,500,000 is available to construct, acquire, and rehabilitate real estate assets to expand the behavioral health continuum of treatment and service resources in settings that serve Medicaid (Medi-Cal) beneficiaries.

CCE: \$570,000,000 is available for acquisition, construction, and rehabilitation capital expansion projects (“expansion” projects) of residential care settings to expand the community care options that serve seniors and adults with disabilities experiencing or at risk of homelessness.

2.2. APPLICATION PROCESS

BHCIP

Round 3: Launch Ready will be composed of two application parts to balance the needs of projects capable of immediate expansion with applicants who require more time to develop their application. This will offer applicants two potential deadlines for submissions. Applicants in Part One will be evaluated competitively against each other. Round 3: Launch Ready Part One is intended for entities that can submit the application and necessary materials by March 31, 2022. Part One applicants will receive priority. Any remaining funds not awarded in Part One will be available for Part Two applicants. Part Two applicants will be evaluated competitively against each other.

Applications will be accepted electronically beginning February 15, 2022. Applications may not be hand-delivered or mailed. The application and attachments, along with instructions for submittal of the online application, can be found on the [Improving California's Infrastructure website](#). No modified formats will be accepted. The cutoff date for all Part One applications is March 31, 2022, at 5:00 p.m. PT. The cutoff date for all Part Two applications is May 31, 2022, at 5:00 p.m. PT. Applications cannot be edited once submitted. It is the applicant's responsibility to ensure that the submitted application is accurate. Reviewers may request additional clarifying information from the applicant.

CCE

CCE applications will be accepted and reviewed on a rolling basis until all grant funds are exhausted. However, projects that cannot be funded prior to applicable obligation and liquidation deadlines may not be funded.

Applications will be accepted electronically beginning February 15, 2022. Applications may not be hand-delivered or mailed. The application and attachments, along with instructions for submittal of the online application, can be found in the [Improving California's Infrastructure website](#). No modified formats will be accepted. Applications cannot be edited once submitted. It is the applicant's responsibility to ensure that the submitted application is accurate. Reviewers may request additional clarifying information from the applicant.



BHCIP and CCE application process

The application is a public record that is available for public review pursuant to the California Public Records Act (CPRA) (Chapter 3.5 [commencing with Section 6250] of Division 7 of Title 1 of the Government Code). After final awards have been issued, DHCS or CDSS may disclose any materials provided by the applicant to any person making a request under the CPRA. Applicants are cautioned to use discretion in providing information not specifically requested, such as personal phone numbers and home addresses. If the applicant does provide such information, they will be waiving any claim of confidentiality and will have consented to the disclosure of submitted material upon request.

Reasonable Accommodations for BHCIP and CCE: For individuals with disabilities, DHCS or CDSS will provide assistive services such as reading or writing assistance and conversion of the RFA, questions/answers, RFA addenda, or other Administrative Notices in Braille, large print, audiocassette, or computer disk. To request copies of written materials in an alternate format, please send an email to bhcip.cce.info@ahpnet.com or call (323) 545-6202.

DHCS and CDSS will prioritize completed applications by geographic distribution to ensure the equitable and fair distribution of funds (Table 2). Both programs will adopt a regional funding approach, similar to models used in other state-funded capital programs (e.g., Homekey). Counties are assigned to one of seven geographic regions, each with a specific funding amount reserved. The funding amount reserved was determined based on the program-specific methodology described below. Applicants within each region will compete against other applicants in that same region, thereby supporting geographic equity and funding disbursement across the state.

DHCS and CDSS will reserve up to 20 percent of the BHCIP Round 3 funds and CCE Capital Expansion funds to ensure funding is effectively used to address and support the needs of vulnerable populations and gaps within the care continuum, consistent with the State Priorities. For example, the discretionary set-aside may be used to fund high-scoring projects in regions that have met their funding reserve.

Regional Funding Reserve Methodology

For BHCIP funding reserves, a ratio of available Launch Ready funding to the Behavioral Health Subaccount county allocations has been used, with 5 percent set aside for tribal entities.

For BHCIP, following an initial round of funding allocations (timeframes to be determined by DHCS), funds **may** be used for viable applications falling outside of the initial allocation priority schedules, geographical divisions, or other initial fund allocation restrictions.

The CCE regional funding reserve methodology was calculated using the distribution of adult and senior care facilities in counties across the state, the 2019 Homeless Point-in-Time count, and the proportion of SSI/SSP applicants and recipients across the state. Of the total amount of CCE funding provided under this RFA, 8 percent will be competitively awarded to small counties (populations of 200,000 or fewer) and 5 percent of funds will be reserved for tribal communities.

The RFA will be open to CCE applicants on a rolling basis. CDSS has established an initial priority application period from the release date of the CCE application through September 30, 2022. During this prioritization period, CDSS will group applications into one of the seven geographic regions, unless the



application is prioritized for the rural or tribal entity set-asides. This timeframe will allow applicants time to prepare projects and seek relative technical assistance (TA). It also provides CDSS with additional data on the statewide need and interest. After September 30, 2022, CDSS reserves the right to stop grouping applications by geographic region, and instead deploy unused funds from any undersubscribed geographic region(s) to fund subsequent applications statewide.

Table 2: Regions and Counties

Counties by Geographic Distribution	BHCIP Launch Ready Estimated Targeted Funding Levels (less 20% discretionary and 5% tribal set-asides) (Total available: \$394,060,000)	Community Care Expansion Estimated Targeted Funding Levels (less 20% discretionary and 5% tribal set-asides) (Total available: \$430,171,874)
Los Angeles County	\$138,033,407	\$135,281,766
Bay Area: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma	\$80,110,607	\$85,690,868
Southern California: Imperial, Orange, Riverside, San Bernardino, San Diego, Ventura	\$75,954,578	\$100,473,714
San Joaquin Valley: Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare	\$44,552,480	\$45,982,932
Sacramento Area: El Dorado, Placer, Sacramento, Sutter, Yolo, Yuba	\$23,553,889	\$31,914,624
Central Coast: Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz	\$14,912,943	\$15,052,939
Balance of State: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, Trinity, Tuolumne	\$16,942,096	\$15,775,031



2.3. PRE-APPLICATION CONSULTATIONS AND TA

Advocates for Human Potential, Inc. (AHP), a consulting and research firm focused on improving health and human services systems, is serving as the administrative entity for both BHCIP and CCE. AHP assists state and local organizations to implement and evaluate a wide range of services focusing on mental health treatment and recovery, substance use disorder treatment and prevention, workforce development, homelessness, housing, long-term services and supports, and criminal justice.

Beginning on February 1, 2022, and as part of the RFA process, AHP will provide a pre-application consultation and individual agency/county TA. In addition, AHP will offer ongoing general training and TA throughout the life of the project. Applicants are required to submit a request for a pre-application consultation and complete a survey to determine their understanding of the RFA requirements. These include facility siting, permit and licensing requirements, construction plans and launch readiness, oversight and management, match requirements, and budgeting practices. In addition, applicants will be required to discuss how their proposed project meets local and/or regional gaps identified through an assessment, as well as how it addresses the state's priorities. An AHP implementation specialist will work with applicants to support them in these areas by connecting them with subject matter experts in real estate, financing, and programmatic best practices serving the prioritized or target population to bring targeted TA to applicants and grantees. Additional information related to pre-application consultation and TA throughout the grant period can be found [online](#).

The Round 2 funding via BHCIP consisted of a planning RFA for counties and tribes for BHCIP and CCE projects. For applicants who have received a BHCIP Round 2 Planning Grant, that grant will be considered during the TA planning process in order to leverage local planning already underway. AHP will also conduct informational webinars on topics such as strategies to serve target and prioritized populations, braiding resources to ensure viability, and green/sustainable building practices. This will include topics to help address concerns common to capital development projects serving the prioritized populations, such as best practices related to siting facilities and strategies for promoting community collaboration and support.

2.4. APPLICATION SCORING CRITERIA

Applications for BHCIP and CCE must meet the following minimum criteria to be considered for award:

- Full and complete application
- Commitment to serve population and to address the gaps identified in the community
- Demonstrated match
- Completed pre-application consultation
- Attested to meet federal, state, and local laws
- Reasonable cost compared to projects within the same region
- Able to expend funds within the required timeline

CCE applicants will be awarded on a rolling basis. Projects that meet the minimum criteria will be eligible to be funded, until all grant funds are committed. BHCIP is a competitive application process. Funding decisions will be based on a variety of factors, including

- Alignment with the State Priorities described in 1.2, above;



- Alignment with local and/or regional needs, gaps, and priorities as described in 3.2, below;
- Alignment with needs and gaps described in the statewide assessment, [*Assessing the Continuum of Care for Behavioral Health Services in California: Data, Stakeholder Perspectives, and Implications*](#);
- Assurance that funds are invested throughout the state;
- Extent to which the project addresses gaps in underserved areas;
- Extent to which the project addresses gaps in underserved populations;
- Review of each project's proposed costs and a determination of reasonableness for the facility type, scope, budget, and schedule of rehabilitation or renovations proposed;
- Degree to which the applicant leverages local funding;
- Ability to use funds within the funding timeline;
- Degree to which the applicant demonstrates long-term sustainability of the proposed project;
- Proposed increase in the number of persons to be served by the expansion;
- Ability to meet match expectations; and
- Degree to which the proposed plan for serving the target population(s) demonstrates the use of established best practices.

Funds awarded pursuant to the program must be used to supplement, and not supplant, other funding available from existing local, state, or federal programs or from grants with similar purposes.

Real Estate Acquisition and Development experts under contract with AHP will conduct financial viability assessments of each applicant's project. Through review of the RFA pre-application consultation, interviews, and financial document review, they will assess long-term operational sustainability (i.e., once the capital project is complete and in use for its intended purpose). TA provided will not factor into the evaluation of the application submitted. Staff providing TA will not be scoring applications.

2.5. AWARD PROCESS

Successful applicants will receive an award letter and a Standard Agreement from AHP, the DHCS and CDSS administrative entity. The agreement must be signed, returned, and fully executed with AHP before initial funding will be awarded.

BHCIP only: Applications that are not funded during Round 3 may be considered for future funding rounds, subject to the requirements and priorities of those rounds. TA will be available to help applicants explore future BHCIP funding rounds, as well as other potential sources of funds to support the proposed projects.

CCE only: Applications that meet the minimum criteria outlined in Section 2.4, eligibility criteria described in Section 3.1, and the eligible uses requirements in Section 3.2 will be considered for funding until all available funds are fully obligated. However, projects that cannot be funded prior to applicable obligation and liquidation deadlines may not be funded. A portion of the CCE budget includes federal funding that must be obligated by June 2024 and liquidated by December 2026. The exact timeline for obligation and liquidation of funds for each funded project will be provided in the grant award announcement. Applicants that are not awarded initially will be provided TA for resubmission, subject to the availability of funds.



2.6. APPEALS

California law does not provide a protest or appeal process against award decisions made through an informal selection method. Applicants submitting a response to this RFA may not protest or appeal the award. All award decisions made by DHCS and CDSS shall be final. Applicants for CCE funds that fail to be awarded initially will be provided TA for resubmission, subject to the availability of funds.

Part Three: Program Requirements

3.1. ELIGIBILITY CRITERIA

Eligible applicants for BHCIP Launch Ready and CCE funds include counties, cities, tribal entities (including 638s and urban clinics), nonprofit organizations, for-profit organizations, and other private organizations, including private real estate developers, whose projects reflect the State Priorities. Each of these entities may apply independently or may apply jointly with another eligible entity as a co-applicant. Co-applicants can include multi-county projects. As allowed or required by context, “applicant” shall be interpreted to include any of the foregoing entities, as well as that entity’s nonprofit or for-profit corporation co-applicant. Upon receiving an award of funds, the eligible applicant and any co-applicant(s) will, both individually and collectively, be referred to as the “grantee” for purposes of this RFA.

Applicants are encouraged to apply for funding from both programs (BHCIP and CCE), as applicable. See Section 3.2 for examples.

Applicants may submit applications with a variety of partners to encourage innovative, comprehensive local and regional approaches. For applicants with partners, including co-applicants, all proposed partners must submit letters of commitment with the application. The required match will be determined by the types of applicants. If a private organization has a collaboration with a county, for example, the project qualifies for the county match amount, as long as supporting documentation is submitted.

Proposed BHCIP Launch Ready projects need to expand community capacity for serving the behavioral health (mental health and substance use disorder [SUD]) population and must make a commitment to serve Medi-Cal beneficiaries. Under CCE, projects need to expand capacity in residential care settings that serve seniors and adults with disabilities who require long-term care supports, with priority for people experiencing or at risk of homelessness who are applicants or recipients of SSI/SSP or CAPI benefits.

Private organizations that do not have prior experience must apply with a partner. These private organizations (including real estate developers) without related prior experience that are collaborating with nonprofit organizations, tribal entities, cities, or counties may apply, with the requirement that the private organization must have

- A Memorandum of Understanding (MOU) or other agreement with the nonprofit organization, tribal entity, city, or county to confirm the private organization’s role in the project, including that they are working on behalf of the service provider, and



- Related prior experience, reflected in the successful development, ownership, or operation of a relevant project for individuals who qualify as members of the target population.

3.2. ELIGIBLE USES

Eligible facility types for BHCIP Launch Ready projects must expand the community continuum of behavioral health treatment resources to build new capacity or expand existing capacity for short-term crisis stabilization, acute and sub-acute care, crisis residential, community-based mental health residential, SUD residential, peer respite, mobile crisis, community and outpatient behavioral health services, and other clinically enriched longer-term treatment and rehabilitation options for persons with behavioral health disorders in an appropriate and least restrictive and least costly setting.

Eligible settings for CCE include residential settings that expand the long-term care continuum and serve the target population, including but not limited to licensed adult and senior care facilities, recuperative or respite care settings, and independent residential settings. Facilities funded by regional centers are not eligible for CCE funds.

Applicants will be expected to define the types of facilities or settings they will operate and populations they will serve. Evaluation criteria will be used by the state to ensure that a given project is serving its target population in line with the State Priorities. In addition, all applicants must share data to demonstrate project need. This may include, for example, a local county/tribal/provider needs assessment, a facility wait list, the number of comparable facilities in the area, or other quantifiable documentation. Applicants will be required to demonstrate how the proposed project will advance racial equity and will be required to certify that they will not exclude populations, including those who are justice involved, unless required by state law. In addition, BHCIP-funded behavioral health facilities, as applicable, must provide Medi-Cal behavioral health services and will be expected to have in place a contract with their county to ensure the provision of Medi-Cal services once the funded facility's expansion or construction is complete.

Applicants are encouraged to think broadly about how BHCIP and CCE funds together can be maximized to design person-centered projects based on the needs and gaps within their local systems of care, coupled with the state's priorities. The following are examples of projects that could apply for both programs:

- An adult residential facility (ARF) applies for CCE funding to make the facility Americans with Disabilities Act (ADA) accessible and expand capacity to serve additional SSI/SSP or CAPI applicants and recipients. The provider also applies for BHCIP funds to add a day treatment, clubhouse, or peer-run/peer-operated center on their property.
- A residential care facility for the elderly (RCFE) applies for CCE funds to add additional beds to serve individuals who are experiencing homelessness and applies for BHCIP funds to add a behavioral health outpatient office within their network for their Medi-Cal population.
- A behavioral health crisis residential facility applies for BHCIP funding to expand facility capacity and CCE funding to create a residential setting that provides step-down residential support services for SSI/SSP or CAPI applicants and recipients at risk of homelessness.



The following facility types and subcategories may be considered for project funding through BHCIP or CCE, separately or together.

Outpatient Services (includes a variety of settings delivering clinical support services, but not overnight residential services)		
	BHCIP	CCE
Community wellness centers (including those that are youth focused)	x	
Hospital-based outpatient treatment (outpatient detoxification/withdrawal management)	x	
Intensive outpatient treatment	x	
Narcotic Treatment Programs (NTPs)	x	
NTP medication units	x	
Office-based outpatient treatment	x	
Sobering centers (funded under DMC-ODS and/or Community Supports)	x	

Residential Clinical Programs (includes a variety of settings primarily focused on delivering clinical services; also provide shelter and support, from overnight to many days, weeks, and months)		
	BHCIP	CCE
Acute inpatient hospitals—medical detoxification/withdrawal management (medically managed inpatient detoxification/withdrawal management facility)	x	
Acute psychiatric inpatient facilities	x	
Adolescent residential treatment facilities for SUD	x	
Adult residential treatment facilities for SUD	x	
Chemical dependency recovery hospitals	x	
Children’s crisis residential programs (CCRP)	x	
Community treatment facilities (CTFs)	x	
Crisis stabilization units (CSUs)	x	
General acute care hospitals (GACHs) and acute care hospitals (ACHs)	x	
Mental health rehabilitation centers (MHRCs)	x	
Psychiatric health facilities (PHFs)	x	
Short-term residential therapeutic programs (STRTPs)	x	
Skilled nursing facilities with special treatment programs (SNFs/STPs)	x	
Social rehabilitation facilities (SRFs)	x	

Residential Support Programs (BHCIP-funded facilities listed here are primarily focused on shelter and support services, from overnight to many months; funded facilities are required to serve Medi-Cal recipients. CCE will fund adult and senior care settings to provide care and support to seniors and adults with disabilities.)		
	BHCIP	CCE
Peer respite	x	x
Recovery residence/sober living homes	x	x
Adult residential facilities (ARFs)		x
Residential care facilities for the elderly (RCFEs)		x



Permanent Supportive Housing that serves the needs of seniors and adults with disabilities (including models that provide site-based care, such as Program for All Inclusive Care for the Elderly [PACE] and the Assisted Living Waiver programs)		x
Other residential care settings that serve the target population, including recuperative care sites		x

Facility types that are not eligible for funding:

- Correctional settings
- Schools
- Facilities funded by regional centers (CCE only)

3.3. MATCH

Applicants will be required to provide matching funds as part of the project. Match requirements are set according to applicant type.

- Tribal entities = 5% match
- Counties, cities, and nonprofit providers = 10% match
- For-profit providers and/or private organizations = 25% match

In order to incentivize local partnerships while also helping to expedite projects, for-profit providers who partner with tribes, counties, cities, or nonprofit providers will be eligible for the lower match. For example, a sole proprietor operating a small ARF that has partnered with a county will have a match requirement of 10%.

Match in the form of cash and in-kind contributions—such as land or existing structures—to the real costs of the project will be allowed for both BHCIP and CCE. The state must approve the match source. Cash may come from

- [American Rescue Plan Act \(ARPA\)](#) funds granted to counties and cities,
- Local funding,
- [Mental Health Services Act \(MHSA\)](#) funds in the 3-year plan (considered “other local”),
- [Opioid Settlement Funds](#) for SUD facilities (BHCIP only),
- Foundation/philanthropic support,
- Loans or investments, or
- Other.

Real property in the form of publicly or privately owned or donated land and/or buildings owned may count as match. Examples include

- Unused city or county buildings,
- Buildings originally intended for another purpose,
- Surplus land,
- State property, and
- Land trust.



Services will not be allowed as match.

3.4. GENERAL PROGRAM REQUIREMENTS

To be eligible to receive funding, projects must meet the following requirements as they relate to the applicant and project types. Refer to Section 3.5 for additional information on eligible pre-development funding.

Site control: Applicant has clear control of the property to be acquired or rehabilitated, as evidenced by one of the following:

- Clear title with no encumbrances or limitations that would preclude the proposed use (fee title);
- Existing long-term lease for the required use restriction period, with provisions to make improvements on the property;
- A leasehold estate held by a tribal entity in federal tribal trust lands property, or a valid sublease thereof that has been or will be approved by the Bureau of Indian Affairs;
- Fully executed option to purchase, sales contract, or other enforceable agreement to acquire the property;
- A letter of intent (LOI) that outlines the terms of a sale or lease contract, providing that a fully executed option will be completed within 60 days; or
- Fully executed option to lease, or similar binding commitment from property owner to agree to a long-term lease for the required use restriction period.

Permits

- Applicant documents understanding of approvals and permitting needed, and the capacity to obtain these approvals and permits, as evidenced by both of the following:
 - Providing detailed information regarding the site of the proposed capital project, including zoning, land use limitations, permissible “as of right” uses, and any approvals or variances that may be required and
 - Including a list of the approvals and permits required to complete the project as described in the construction plan (below), along with the sequences of these approvals and permits.
- Applicant commits to making initial required applications within 60 days of award, as applicable.

Licensure/certification

- Applicant provides documentation of all required certifications/licenses, including but not limited to those required by the appropriate department under CalHHS.
- For applicable projects that cannot be licensed/certified by the state and/or local level until they are completed, applicant will demonstrate that they understand the applicable licensing/certification timelines and requirements. Tribal entities that are exempt from state licensing and/or requirements must describe the basis for their exemption and their plan for meeting programmatic requirements. As part of the TA that will be made available, applicants may receive information and guidance about the licensure and certification process.

Preliminary construction plans for proposed project, such as

- Site plan (if applicable);



- Architectural drawings, blueprints, and/or other renderings;
- If no construction plan is yet in place, a valid cost estimate from an architect, licensed general contractor, or engineer.

Acquisition and/or construction timeline

- Acquisition should begin within approximately 6 months of award. Development must begin immediately after acquisition and be completed within the approved timeline. Applicant should provide a timeline from a licensed general contractor or construction manager to illustrate how this will be achieved.
- Applications for projects that can start sooner may be rated higher.

Capacity to meet match requirements (see Section 3.3)

Approval and engagement

- Organizational support is indicated by a letter from the CEO and/or board, county board of supervisors, or tribal council resolution, as applicable.
- Applicant provides documentation of active community engagement and support, particularly with people with lived experience. Insights from the community should be included in project planning, design, implementation, and evaluation. Examples may include survey results, notes taken during stakeholder engagement sessions, etc.
- **BHCIP Launch Ready only:** City, nonprofit, or private applicants must include a letter of support from their county behavioral health agency or, if a tribal facility, the tribal board at the time of application or within the grant decision period.
 - The letter must indicate that BHCIP grantees that operate Medi-Cal behavioral health services will have in place a contract with their county to ensure the provision of Medi-Cal services once the financed facility's expansion or construction is complete.

Service use restriction

Applicants will be required to commit to a service use restriction as follows:

- BHCIP: Commitments to provision of services and building use restriction for entire 30-year period.
- CCE: Commitments to provision of services and building use restriction for 30 years for new facilities and a 20-year use restriction for capacity expansion for an existing facility.

3.5. PRE-DEVELOPMENT (CCE ONLY)

Prospective applicants that demonstrate viable projects via the pre-application consultation with real estate TA from the grant administrator or its Community Development Financial Institution (CDFI) partners may have the opportunity to apply for pre-development costs within the RFA using CCE funds only.

Examples may include but are not limited to:

- Hiring a development team (lawyer, architect, owner's representative or construction manager)
- Physical needs assessment



- Feasibility study
- Site plan
- Environmental survey (Phase 1 & 2 reports)
- Schematic and construction drawing and architectural plans
- Construction cost estimates
- Preliminary engineering/dry utilities
- Stakeholder coordination
- Preliminary development budgets
- Basic underwriting

3.6. BUDGET DEVELOPMENT

Applicants are required to submit a budget with their BHCIP Launch Ready and CCE applications to assist DHCS/CDSS in establishing reasonableness of the final amount awarded. Applicants are encouraged to use the BHCIP Launch Ready and CCE budget templates in Attachment A (Form 1) to create a budget and will be asked to insert the budget figures as part of the online application process. All items budgeted must be inclusive of all costs, including taxes and fees, in U.S. dollars. If an applicant has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the applicant may use its current NICRA. Alternatively, if the applicant does not have a NICRA, the applicant may elect to use a rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).

3.7. CAPITALIZED OPERATING SUBSIDY RESERVE (COSR) (CCE)

CCE applicants may request a portion of their funds be used for a COSR. A COSR can be an essential component of development projects serving households with very low incomes. The COSR helps to ensure continued operations and long-term sustainability of capital projects like CCE. CCE projects wishing to use funds from the project development budget for a COSR will be required to create a Funding and Disbursement Agreement (FDA). The COSR can be used to cover operational costs associated with utilities, maintenance and repairs, taxes and insurance, and staff, among others. CCE COSR funds will be capitalized in the applicant's development budget, helping to mitigate risk among long-term project investors. A COSR is available for use for up to 5 years from the time operations in the new or expanded facility begin; future funding streams should be included in the project development budget, in the event that the facility carries an operating deficit after the 5-year CCE COSR timeframe ends.

3.8. ACCESSIBILITY AND NON-DISCRIMINATION

All developments shall adhere to the accessibility requirements set forth in California Building Code chapters 11A and 11B and the Americans with Disabilities Act, Title II. In addition, developments shall adhere to either the Uniform Federal Accessibility Standards (UFAS), 24 CFR Part 8, or the U.S. Department of Housing and Urban Development's (HUD) modified version of the 2010 ADA Standards for Accessible Design (Alternative 2010 ADAS), HUD-2014-0042-0001, 79 FR 29671 (5/27/14) (commonly referred to as "the Alternative Standards" or "HUD Deeming Memo"). Accessible units shall, to the



maximum extent feasible and subject to reasonable health and safety requirements, be distributed throughout the project and be available in a sufficient range of sizes and amenities consistent with 24 CFR Part 8.26.

Grantees shall adopt a written non-discrimination policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), justice system involvement (except where explicitly required by law), or arbitrary characteristics, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with program funds made available pursuant to this RFA. Nor shall all other classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with program funds made available pursuant to this RFA.

Grantees shall comply with the requirements of the Americans with Disabilities Act of 1990, the Fair Housing Amendments Act, the California Fair Employment and Housing Act, the Unruh Civil Rights Act, Government Code Section 11135, Section 504 of the Rehabilitation Act of 1973, and all regulations promulgated pursuant to those statutes, including 24 CFR Part 100, 24 CFR Part 8, and 28 CFR Part 35.

3.9. STATE & FEDERAL PREVAILING WAGE

A project funded by a BHCIP or CCE grant is a “public work” if the applicant intends to use the BHCIP and/or CCE funds for the “[c]onstruction, alteration, demolition, installation, or repair” of a building or structure (Cal. Lab. Code section 1720(a); Cal. Lab. Code section 1750(b)(1)). Applicants using BHCIP and/or CCE grants to fund public works are subject to California’s prevailing wage and working hours laws (Division 2, Part 7, Chapter 1 of the California Labor Code) and the applicant’s project is subject to compliance monitoring and enforcement by the Department of Industrial Relations (Cal. Lab. Code section 1771.4(a)(1)).

If DHCS or CDSS selects an applicant to receive a BHCIP and/or CCE grant and the applicant is using the grant to fund a public work, then the applicant shall submit a Certification of Compliance to the awarding department (i.e., DHCS or CDSS) certifying that the applicant shall comply with California’s prevailing wage and working hours laws (including posting job notices, as required by Labor Code section 1771(a)(2)) and all applicable federal prevailing wage laws. The Certification of Compliance shall also state that the applicant shall maintain its labor records in compliance with all applicable state and federal laws (Cal. Lab. Code section 1776), and shall make all labor records available to the Department of Industrial Relations, and any other applicable enforcement agencies upon request (Cal. Lab. Code section 1771.4(a)(3)). The Certification of Compliance shall be signed by the general contractor(s) and the applicant.

If DHCS or CDSS selects an applicant to receive a BHCIP and/or CCE grant and the applicant is not using the grant to fund a public work, then the applicant shall submit a Certification of Inapplicability to the awarding department (i.e., DHCS or CDSS) explaining why the project is not a public work as defined by



California Labor Code section 1720. The Certification of Inapplicability shall be signed by the general contractor(s) and the applicant.

An applicant shall not receive the BHCIP and/or CCE funds from the awarding department (i.e., DHCS or CDSS) until the awarding department has received and approved the applicant's Certification of Inapplicability or Certification of Compliance.

3.10. EXEMPTIONS

In accordance with California Welfare and Institutions Code sections 5960.3 and 18997.97(l), projects funded by a BHCIP or a CCE grant are

1. Deemed to be consistent with and in conformity with any applicable local plan, standard, or requirement;
2. Deemed to be allowed as a permitted use within the zone in which the structure is located; and
3. Not subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals.

3.11. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) EXEMPTION (BHCIP ONLY)

CEQA shall not apply to a project funded by BHCIP if that project meets the requirements outlined in California Welfare and Institutions Code section 5960.3(b). Applicants shall determine if they meet the requirements outlined in section 5960.3(b) to qualify for the exemption from CEQA. And, in accordance with section 5960.3(c), if an applicant determines that it qualifies for the exemption from CEQA, then the applicant shall file a Notice of Exemption with the Office of Planning and Research and the clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of section 21152 of the Public Resources Code, and the applicant shall provide DHCS with a copy of the filed Notice of Exemption. If the applicant determines that CEQA applies to its project, the applicant shall provide DHCS with copies of all appropriate documentation demonstrating the project's compliance with CEQA once the applicant has received project approval.

DHCS is not responsible for determining if applicants meet the CEQA exemption requirements set forth in section 5960.3(b). Furthermore, DHCS is not responsible for filing a section 5960.3(c) notice of exemption on behalf of an applicant.

3.12 LOW-RENT HOUSING PROJECT EXEMPTION

In accordance with California Welfare and Institutions Code sections 5960.35(b)(1) and 18999.98, a project funded with a BHCIP or a CCE grant shall not be considered a "low-rent housing project," as defined in Section 1 of Article XXXIV of the California Constitution, if the project meets any one of the following criteria:

1. The project is privately owned housing, receiving no ad valorem property tax exemption, other than exemptions granted pursuant to subdivision (f) or (g) of Section 214 of the Revenue and Taxation Code, not fully reimbursed to all taxing entities, and not more than 49 percent of the dwellings,



apartments, or other living accommodations of the project may be occupied by persons of low income;

2. The project is privately owned housing, is not exempt from ad valorem taxation by reason of any public ownership, and is not financed with direct long-term financing from a public body;
3. The project is intended for owner-occupancy, which may include a limited-equity housing cooperative as defined in Section 50076.5 of the Health and Safety Code, or cooperative or condominium ownership, rather than for rental-occupancy;
4. The project consists of newly constructed, privately owned, one-to-four-family dwellings not located on adjoining sites;
5. The project consists of existing dwelling units leased by the state public body from the private owner of these dwelling units;
6. The project consists of the rehabilitation, reconstruction, improvement or addition to, or replacement of, dwelling units of a previously existing low-rent housing project, or a project previously or currently occupied by lower-income households, as defined in Section 50079.5 of the Health and Safety Code; or
7. The project consists of the acquisition, rehabilitation, reconstruction, improvement, or any combination thereof, of a project which, prior to the date of the transaction to acquire, rehabilitate, reconstruct, improve, or any combination thereof, was subject to a contract for federal or state public body assistance for the purpose of providing affordable housing for low-income households and maintains, or enters into, a contract for federal or state public body assistance for the purpose of providing affordable housing for low-income households.

If a project funded with a BHCIP or CCE grant is a “low-income housing project” as defined by Section 1 of Article XXXIV of the California Constitution but does not meet any of the criteria listed above, then the applicant shall comply with the requirements set forth in that section of the California Constitution.

Part Four: Program Operations

4.1. PROGRAM OVERSIGHT AND REPORTING

As specified by DHCS or CDSS and upon request, grantees shall provide progress reports in connection with the approved timeline, statement of work (SOW), and budget and any updates to the timeline for completion of the project. The progress reports should include the project’s completion milestones and any updates or substantial changes. Grantees shall promptly notify DHCS or CDSS of any changes in grantee organization, authorization, or capacity. This information will be outlined in the Standard Agreement.

Grantees are required to meet BHCIP Launch Ready, CCE program, and other state and federal reporting, financial, and administrative requirements, as well as submit required reporting data through an online grantee data portal. Reporting requirements will include quarterly reports and a final report, along with an annual BHCIP Launch Ready or CCE Program and Expenditure Report for 5 years following Standard Agreement execution. The annual report will be due no later than January 31 for the prior



calendar year of January 1 to December 31. The reports and data entered in the grantee data portal shall be in such form and contain such information as required by DHCS or CDSS, as appropriate, in its sole and absolute discretion. Funding will be contingent upon provision of submission of data and reporting. These requirements will be fully detailed upon award.

In addition to the foregoing, each grantee shall submit to DHCS or CDSS such periodic reports, updates, and information as deemed necessary by DHCS or CDSS to monitor compliance and/or perform program evaluation. Any requested data or information shall be submitted in electronic format in a format provided by DHCS or CDSS.

Additional reporting requirements may be required by DHCS and CDSS for up to 30 years after completion of project construction.

4.2. DISBURSEMENT OF GRANT FUNDS

The Standard Agreement will set forth the general conditions for disbursement. Once the Standard Agreement between the applicant and AHP is fully executed, an initial payment will be issued directly to the applicant to begin development activities. Subsequent funding will be released following the verified completion of project milestones and deliverables and the submission of required documentation and reports. More details regarding the funding and disbursement process will be provided upon award.

Grantees will be responsible for submitting invoices and ensuring expenses are allowable and have sufficient backup documentation. Grantees shall ensure that the expenditure of BHCIP Launch Ready or CCE program funds is consistent with the requirements of the relevant program.

The BHCIP Launch Ready and CCE program teams will monitor the expenditures to ensure they comply with this RFA and may conduct desk or site audits. The teams may also request the repayment of funds or pursue any other remedies available, at law or in equity, for failure to comply with program requirements.

Part Five: Attachments

Attachment A: Application

Form 1: Budget template

Form 2: Budget narrative and definition of terms

Form 3: Schematic design checklist

Form 4: Design/acquisition/construction milestone schedule

Form 5: Development team description/contact form

Form 6: Community engagement form

Form 7: Applicant's certification

Attachment B: Pre-Application Consultation Process



EXHIBIT B

Name of Organization:

Phone:

Email:

Project Location:

Instructions: Explain how stakeholders (e.g., community-based organizations [CBOs], members of the target population, residents, civic leaders, and frontline staff) have been meaningfully involved in the visioning and development of this project.

Community Engagement Tracking Form

Date	Event Type	# of Participants	Target Group	Event Description	Objectives/Purpose

EXHIBIT C

Name of Organization: The Gathering Inn

Phone: 916-662-5351

Email: rtellier@thegatheringinn.org

Project Location: 300 Elefa St., Roseville, CA (Placer County)

Instructions: Explain how stakeholders (e.g., community-based organizations [CBOs], members of the target population, frontline staff) have been meaningfully involved in the visioning and development of this project.

Community Engagement Tracking Form

Date	Event Type	# of Participants	Target Group	Event Description
06/09/22	Meeting	5	City of Roseville	
06/21/22	Meeting/tour	4	City of Roseville	
06/29/22	Meeting/tour	4	City of Roseville	
07/06/22	Meeting/tour	5	City of Roseville	
06/14/22	e-mail	4	Health Plans and Hospitals	
07/07/22	Meeting/tour	4	City of Roseville	
7/8 - 7/10	Neighborhood meeting		Immediate neighbors of the site	
Ongoing	Meetings		Placer County HHS	

n.com

residents, civic leaders, and

Objectives/ Purpose	Follow- Up Needed (y/n)	Status of Follow-Up	Supporting Documents/ Materials
Met with City Manager and staff to discuss project		Letter will be provided after City Council meeting on 7/20	Confirmed support of the project
Toured current program with Roseville City Council member Pauline Roccucci			Confirmed support of the project
Toured current program with Roseville City Council member Scott Alvord			Confirmed support of the project
Toured current program with Roseville Mayor, Krista Bernesconi			Confirmed support of the project
Requested letters of support from Anthem Blue Cross, CA Health and Wellness, Sutter Health			Secured letters of support
Toured current program with Roseville City Council member Bruce Houdesheldt			Confirmed support of the project
To describe proposed project, answer questions and provide contact information		Neighborhood association meetings in late July	Project description/FAQ document attached
To keep apprised of planning progress and gain support from Director of HHS, Dr. Robert Oldham			Letter of support will be provided after Roseville City Council meeting on 7/20

EXHIBIT D



September 22, 2022

Keith Deiderich
201 Berkeley Avenue
Roseville, CA 95676

Dear Keith Deiderich:

RE: Community Care Expansion – Capital Expansion Request for Applications
Threshold Clarification Needed (1/31/22 RFA)
The Gathering Inn
Project Name: TGI Medical Respite Expansion

Advocates for Human Potential (AHP), the administrative entity for the Community Care Expansion (CCE) program for the California Department of Social Services (CDSS), has received the CCE Capital Expansion application named above, submitted in response to the CCE Request for Applications (RFA) dated January 31, 2022.

This letter is to inform you that additional clarification is needed on the application submitted.

The reasons for this request for clarification are set forth as follows:

1. As outlined in the RFA (Section 2.4), applications must demonstrate long-term operational sustainability for proposed projects. In other words, once a CCE-funded project is completed and the facility is in use for its intended purpose, you will be required to continue operations for a period of no less than 30 years for a new facility or 20 years for an expanded facility. In addition, CCE-funded facilities must commit to serve Supplemental Security Income/State Supplementary Payment (SSI/SSP) and Cash Assistance Program for Immigrants (CAPI) applicants and recipients. Given that, please outline your sustainability plan for the proposed project, including the following:
 - a. What will you do to ensure that rental rates remain affordable for all residents?
 - b. What strategies will you implement to ensure that your facility will

be operational and available to the target population for no less than the entire 30- or 20-year building use restriction period?

2. Please provide additional information to confirm the CCE funding request:

- a. Please confirm the amount of funds that will be used as the match, as the amount that was submitted in the application does not meet the required 10% threshold.
- b. Please confirm the source of the match funds that will be used for the proposed project.

Please note: Required documentation and clarification listed above must be submitted by email to AHP at bhccip.cce.info@ahpnet.com on or before **October 6, 2022**. If circumstances make it unlikely that you will meet this deadline, please let us know as soon as possible at bhccip.cce.info@ahpnet.com. You may be given a later deadline; however, review of your application will be delayed until after that time.

In addition, if your facility will require licensing (e.g., ARFs, RCFEs, and others), please submit written notification of disclosure of any ownership interest as stated in the CDSS Application for a Community Care Facility or Residential Care Facility for the Elderly License form ([LIC 200](#)): "Other Facilities: H & S Code Section 1520(d), 1568.04(b) and 1569.15(d) require that an applicant disclose, prior or present service as an administrator, general partner, corporate officer or director of, or as a person who has held or holds a beneficial ownership of 10 percent or more in any community care, residential care facility for chronically ill, residential care facility for the elderly, or health care facility (attach separate sheet of paper for additional facilities)."

If you have any questions regarding this request, please contact [REDACTED],
[REDACTED]

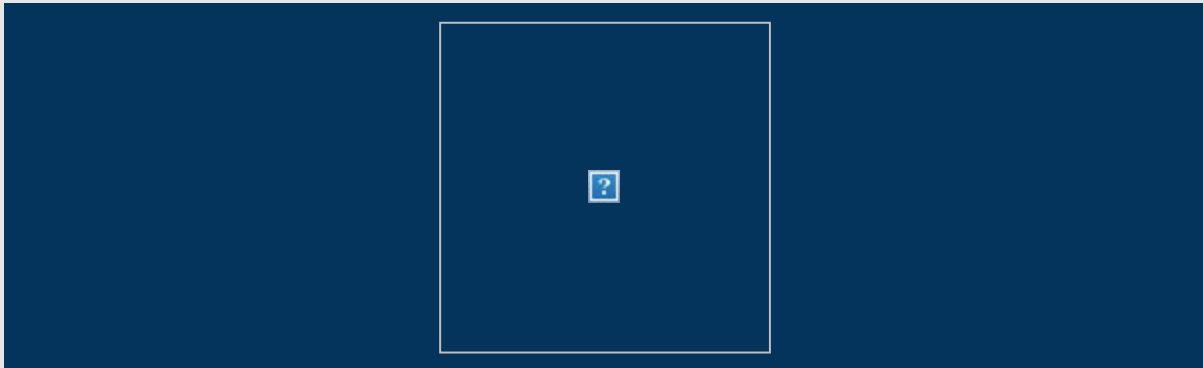
Sincerely,



Nija Fountano
Community Care Expansion Program Manager
Housing and Homelessness Division
California Department of Social Services

EXHIBIT E

From: [California Department of Social Services \(CDSS\)](#)
To: [Rolande Tellier](#)
Subject: CCE Application Status and Support Available
Date: Friday, January 13, 2023 5:02:05 PM

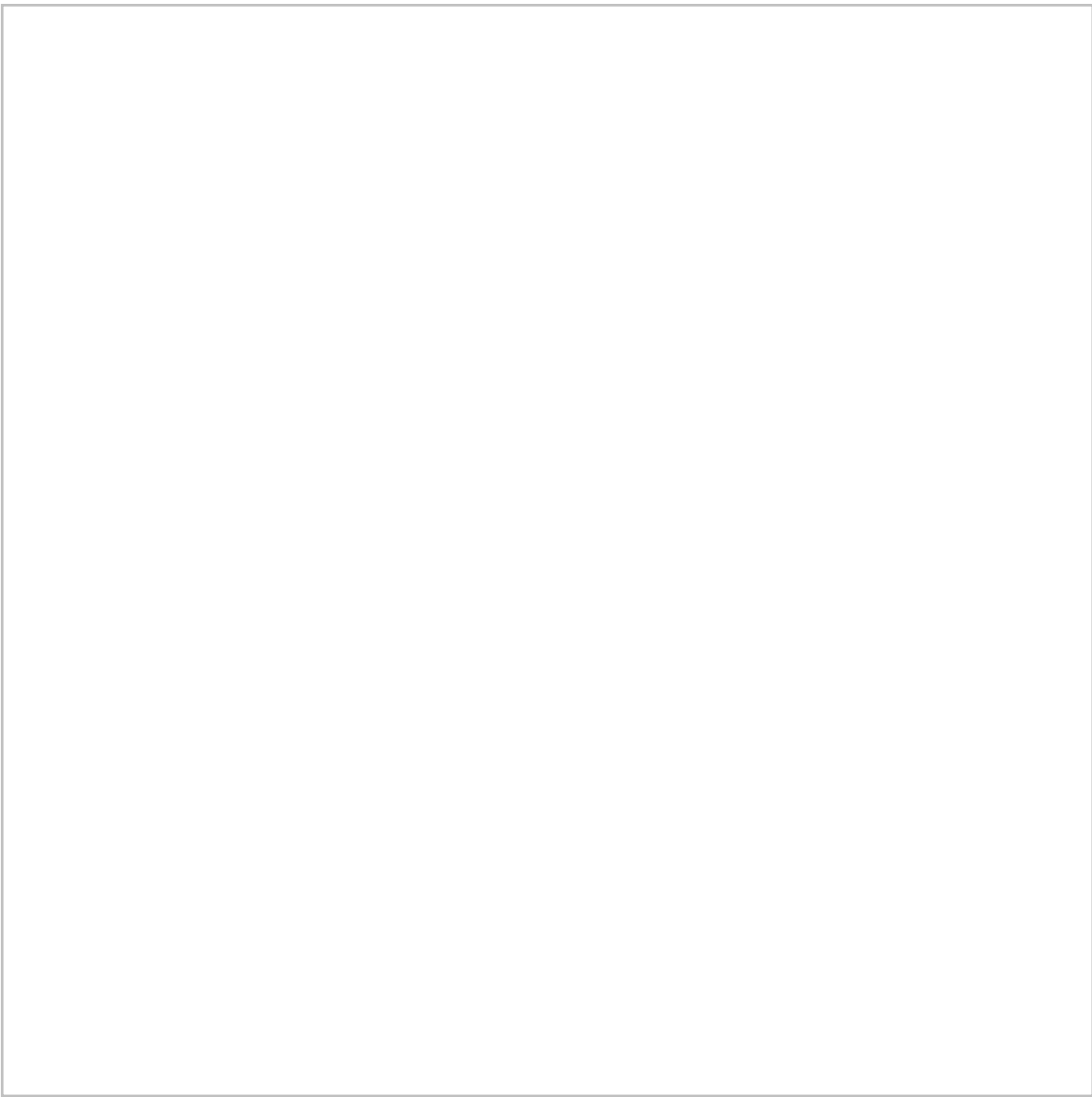


Dear Community Care Expansion (CCE) Program Applicant:

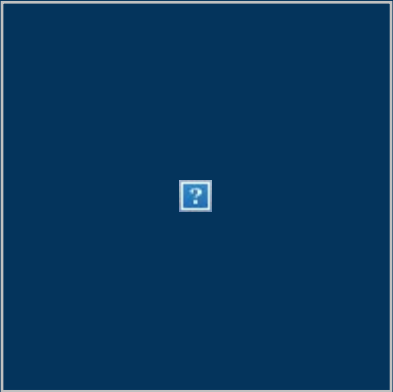
Our review of your CCE Project grant application found that it was incomplete or otherwise ineligible for CCE funding. **This could, however, be corrected** and Advocates for Human Potential (AHP) would like to work with you to amend or complete your application so your project can be reviewed again for eligibility for funding.

If you are interested in working on this, **please contact us at bhcip.cce.info@ahpnet.com no later than 10 business days** after the date of this email message. **In the subject line, put CCE RFA HELP** and in the body of the email include your phone number and the best time to reach you. (Please do not reply to this email.)

Sincerely,
The CCE Team at AHP



TECHNICAL ASSISTANCE AND PROGRAM SUPPORT



Administrative Entity for CCE

AHP will provide pre-application consultations and technical assistance (TA) to all CCE applicants, as well as training and TA throughout the life of the projects.

For more than 35 years, AHP has influenced change in health and business systems to support vulnerable populations—from creating policy all the way to ground level, hands-on work. We believe improved health systems and organizations mean improved health outcomes.

cdss logo.jpg



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Advocates for Human Potential | www.ahpnet.com



Advocates for Human Potential | 490 B Boston Post Road, Sudbury, MA 01776

[Unsubscribe rtellier@thegatheringinn.com](mailto:rtellier@thegatheringinn.com)

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EXHIBIT F

From: [BHCIP CCE RFA info](#)
To: [Rolande Tellier](#)
Cc: [Robert Stromberg](#); [Keith Diederich](#)
Subject: CCE Decline Follow-up: Application ID CCE-1767623224
Date: Monday, February 6, 2023 6:26:04 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

Dear Rolande Tellier,

Thank you for meeting with us today to discuss your proposed CCE Expansion application.

As we discussed, it appears that your proposed project is now a new, separate project given the fact that it is located at a new, different site address. Therefore, you may be required to submit a new Pre-application Consultation (PAC) Survey and separate, new formal application via the Survey Monkey Apply (SMA) platform to have your application considered.

That being said, if you would like to request a re-review of your current application, you may do so by supplying the additional documentation and information indicated below along with any information needed to constitute a complete, accurate and up to date application as per the CCE Request for Applications (RFA), application form and required attachments.

Should you decide to request a re-review of your submitted CCE-1767623224 application, please submit the information and documentation required to bhcip.cce.info@ahp.net no later than 5pm PT on Monday, February 13, 2023:

1. Updated information regarding the new property, including site control documentation.
2. Updated project description, including clear indication of total new units/beds, and total proposed capacity expansion for the CCE target population.
3. Detailed information regarding the transition/relocation plans for current residents of the existing facility on the property for the proposed project, including clear indication of compliance with all relevant legal obligations.
4. Documented description of the existing facility population, including regarding how many total current residents, and how many current residents that are from among the CCE target population.
5. Revised complete project development budget (and COSR worksheet if applicable), including the required match amount.
6. Documentation of the required match amount.
7. Description and documentation of related prior experience from among the applying entity and/or substantial project partners, including: expansion/renovation development experience, and experience operating the same facility type proposed for CCE funding.
8. Description of community engagement and local support, including support letters for the specific address proposed, an updated Community Engagement Tracking Form, and a detailed description of any community opposition to your proposed project (and how you have or propose to overcome that opposition).
9. Any additional information needed to assess project eligibility and cost reasonableness.

Thank you again for your interest in the CCE Expansion grant program.

Sincerely,
Robert Stromberg



ahpnet.com

Robert Stromberg
(He/Him/His/El)
Senior Program Manager
O. 323.431.5617 **D.** 323.203.0699
Advocates for Human Potential, Inc.
California Office: 131 N. El Molino, Suite 100, Pasadena, CA 91101



I recognize and pay respect to the traditional and ongoing keepers and stewards of the land upon which I currently work, Pasadena, CA, Tongva (Gabrielino) Ancestral Tribal Lands, and all the original Indigenous peoples. I commit to caring for the lands, waters, and all life that is here.

Disclaimer

The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

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EXHIBIT G



COMMUNITY CARE EXPANSION PROGRAM PORTAL

1. Information

CCE Application ID

CCE-1767623224

2. Primary Applicant Information

This section is for information about the City, County, Agency, Tribal Entity, or Organization applying for funding.

Name of Entity *

32 - The Gathering Inn

Applicant Tax ID

841657746

Unique Entity Id # (Formerly DUNS)

189981918

DUNS has transitioned to UEI as of April -- if you do not have an assigned UEI # and have applied, please note that this number will be required later in the process.

3. Entity Contact Information

Street Address

4020 Sierra College Blvd.

City

Rocklin

State

CA

County

Placer

Zip

95677

Email Address

rtellier@thegatheringinn.com

Telephone

(916) 662-5352

Website

thegatheringinn.com



Is mailing address same as physical address?

Mailing Address 1 *

4020 Sierra College Blvd.

Mailing Address 2

Suite 100

City *

Rocklin

State

CA

County

Placer

Zip *

95677

4. Authorized Representative

First Name *

Keith

Last Name *

Diederich

Title *

President & CEO

Email Address *

keith@thegatheringinn.com

Telephone *

(916) 945-1242

5. Project Director



Is this person the same as the Authorized Representative listed above?

First Name *

Rolande

Last Name *

Tellier

Project Director Agency or Tribal Entity Name *

The Gathering Inn

Email Address *

rtellier@thegatheringinn.com

Telephone *

(916) 662-5351

6. Applicant's Certification

Please note that this document was previously required but is no longer required. If you had already uploaded it, you will see it listed in the file table below.

File ▾	Description ▾	Updated On ▾
CCE-1767623224_TGI Medical Respite Expansion_Applicants Certification.pdf		2 Aug 2023 09:21 AM

1 to 1 of 1 items

6.1. What type of Entity is the Primary Applicant? *

- ☐ County
- ☐ City
- ☐ Tribal Entity
- ☒ Nonprofit Corporation
- ☐ For-Profit Corporation
- ☐ Individual or Other Private Organization

6.2. Document Upload: Articles of Incorporation

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

File ▾	Description ▾	Updated On ▾
TGI Medical Respite Expansion_Documents of Incorporation.pdf		2 Aug 2023 09:20 AM
TGI Medical Respite Expansion_Tax Exempt Status.pdf		2 Aug 2023 09:28 AM

1 to 2 of 2 items

6.3. Is there a co-applicant? *

- ☐ Yes
- ☒ No

7. Are you also applying for BHCIP funding?

- ☐ Yes, I have already applied for BHCIP Launch Ready Funding
- ☐ Yes, I plan on applying for BHCIP Round 4: Children and Youth
- ☒ No

8. Describe the applicant's or developer's experience relevant to acquiring and/or rehabilitating/constructing and operating the project.

Limit 1500 words

Since 1999, TGI has acquired 7 residential homes and their main campus which includes a day service/navigation center, all operations, mental health services, medical and dental services, a clothing/donation closet, and case management. The main campus was rehabilitated in 2020 along with 3 of the permanent supportive housing residential homes. TGI has operated a medical respite program since 2009, with an original capacity of 5 guests. In 2022, with minimal alterations to the site and revised scheduling, we were able to increase to our current capacity of 10 guests. We are not working with a developer as we are acquiring an existing assisted living facility.

9. Does the applicant have a development team in place?

- ☐ Yes ☒ No

10. Complete the following table for the development team.

	Name	Website	Email	Phone	Address
Principal Applicant	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Legal	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Construction Manager	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Development Management Firm	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Owner's Representative	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Architect	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Civil Engineer	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
General Contractor	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Specialty Consultant	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

10.1. A copy of all executed contracts for hire related to your project's development team (lawyer, construction manager, development manager, architect, consultants, contractor, etc.)

Document Upload: Contracts With Development Teams

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

File 	Description 	Updated On 
<div></div>		

File ⇅	Description ⇅	Updated On ⇅
TGI Medical Respite Expansion_Preliminary Site Plans, Design Drawings, or Construction Drawings#2.docx		2 Aug 2023 03:10 PM
TGI Medical Respite Expansion_Preliminary Site Plans, Design Drawings, or Construction Drawings.pdf		2 Aug 2023 09:24 AM

1 to 2 of 2 items

10.2. Resumes of the development team that developed the design/construction plans

Document Upload: Development Team Resumes

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

File ⇅	Description ⇅	Updated On ⇅
TGI Medical Respite Expansion_Development Team Description-Contact Form.pdf		2 Aug 2023 01:06 PM
TGI Medical Respite Expansion_Development Team Resumes#2.pdf		2 Aug 2023 03:11 PM
TGI Medical Respite Expansion_Development Team Resumes.pdf		2 Aug 2023 09:24 AM

1 to 3 of 3 items

10.3. Document Upload: Operating Agreement

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

File ⇅	Description ⇅	Updated On ⇅
TGI Medical Respite Expansion_Authorization for Signatures.pdf		2 Aug 2023 03:15 PM
TGI Medical Respite Expansion_Bylaws of TGI.pdf		2 Aug 2023 03:16 PM
TGI Medical Respite Expansion_LOS-Anthem Blue Cross.pdf		2 Aug 2023 09:27 AM
TGI Medical Respite Expansion_LOS-CA Health & Wellness.pdf		2 Aug 2023 09:27 AM
TGI Medical Respite Expansion_LOS-Sutter Health.pdf		2 Aug 2023 09:27 AM
TGI Medical Respite Expansion_Project Information.pdf		2 Aug 2023 03:15 PM

1 to 6 of 6 items

11. Which type of funding source are you applying for?

See section 3.5 of the Joint [Joint RFA](#) to learn more. *

- ☒ Capital Expansion "Full CCE"
- ☐ Pre-Development Funds Only

12. What type of Project are you applying for?

- ☐ Rehabilitation only
- ☐ Rehabilitation including acquisition
- ☐ New construction only
- ☐ New construction including acquisition
- ☒ Acquisition only

13. Project Title and Location

Project Title *

TGI Medical Respite Expansion

Parcel/APN#

021321040000

Sponsor ID *

.234

Street Address 1 *

1660 Third St.

Street Address 2

City *

Lincoln

State

CA

County *

Placer

Zip *

95647

Point of Contact *

Rolande Tellier

Contact Email *

rtellier@thegatheringinn.com

Contact Phone *

(916) 662-5351

14. Describe the planned facility, including the types of services that will be offered. (Limit 2000 words.)

The proposed site is a Senior Housing (Assisted Living/Memory Care) property totaling 39,504 square feet located on a 2.10-acre site at 1660 3rd Street in Lincoln, California. The current units are comprised of 34 assisted living beds and 19 memory care beds, offering an average of 300 square feet per bed. The property is zoned as Business Professional (BP).

Similar to our current medical respite program, this program will incorporate a low barrier, trauma informed approach to care and will be inclusive of all individuals regardless of race, ethnicity, gender, or sexual orientation. 25 of the assisted living units will be converted to double-occupancy medical respite (150 square feet per bed with a privacy partition), and 9 single-occupancy.

The proposed facility will serve 480 medical respite guests annually and will offer the following:

- A low-barrier facility - we treat those who use drugs with dignity and respect, meeting them where they are and reinforcing positive change by reducing the stigma associated with recreational or problematic drug use
- 60 beds – 10 single-occupancy rooms, 25 double-occupancy rooms
- 3 meals a day including options for guests with dietary restrictions
- On site showering and laundering facilities to promote proper hygiene
- Access to computers, internet, and phones
- Access to clothing, shoes, and personal hygiene items
- Clean linens upon admission and during stay
- A nurse call-line for non-emergency medical inquiries when clinical staff is not on site
- Clinical staff support
- Onsite drug and alcohol classes - TGI's substance use disorder specialist will work directly with

guests to develop a plan for recovery in a harm-reduction environment

- Onsite life skills classes
- Case management support 40 hours a week to connect guest with other agency benefits
- Onsite mental health services. TGI's mental wellness program provides guests with individualized care and treatment options to break the cycle of homelessness
- Transportation
- Job Placement
- Discharge Planning
- 24-hour staff support
- Social events, games, and activities - guests enjoy community events that bolster physical and mental wellness
- Access to TGI's Mobile Dental Clinic
- Access to TGI's Housing Specialist

In addition, the current facility's memory care unit will be redefined as assisted living to accommodate very low income seniors diverted from nursing facility care. This unit will serve up to 38 individuals in double-occupancy rooms. Priority will be given to individuals who need a higher level of care than can be provided at TGI's emergency shelter or longer stay required after medical respite, but not high enough to qualify for skilled nursing. Most of the services listed above will apply to assisted living guests and will also include assistance with activities of daily living as needed and per assessment.

15. Budget Template: Pre-Development and Feasibility Funding

All applicants must upload the [Full CCE Budget template](#). If you require assistance completing this budget form, or any of the other forms or attachments for this application, please email Support@cceprogram.com.

Only excel files will be accepted.

For a 508 compliant version of this template, contact Support@cceprogram.com.

File ⇅	Description ⇅	Updated On ⇅
The Gathering Inn Full_CCE_Budget 2023-1112.xlsx	Updated budget 11/1/2023	1 Nov 2023 12:22 PM
The_Gathering_Inn_Full_CCE_Budget_2022-0601.xlsx		1 Nov 2023 09:22 AM

1 to 2 of 2 items

16. Please identify the source(s) and amount of cash and/or in-kind contributions —such as land or existing structures— that fulfill the match requirement. Services are not allowed as match. (See [Joint RFA Section 3.3.](#)) Please check the box(es) that apply to the current application request and include the funding amount requested for each phase: *

		Total Funding Amount Requested	Total Match Funds Being Used	Source
<input type="checkbox"/>	Feasibility	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="checkbox"/>	Pre-Development	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="checkbox"/>	Development Planning	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input checked="" type="checkbox"/>	Acquisition (including Land)	\$4,926,600.00	\$441,000.00	Sutter Health, cash reserves
<input checked="" type="checkbox"/>	Rehabilitation of Existing Facility for Expansion	\$302,400.00	\$10,000.00	Sutter Health, cash reserves
<input type="checkbox"/>	New Construction	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="checkbox"/>	Construction Permits & Fees	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input checked="" type="checkbox"/>	COSR	\$1,100,000.00	\$0.00	Note: GA confirming COSR should not be included in calculation for match requirement.
<input checked="" type="checkbox"/>	Other Project Costs	\$55,000.00	\$80,000.00	Sutter Health, cash reserves
		TOTAL \$ 6,384,000.00	TOTAL \$ 531,000.00	

Total Project Cost

\$ 6,915,000.00

Match % of Project Cost

7 %

17. Which of the following best describes the project's construction type?

Construction Type *

Acquisition of existing facility/building, ready for turnkey operations (no renovation needed)



18. Will the applicant need to purchase land for the proposed project?

☐ Yes ☒ No

Enter values for square footage as numbers only: e.g., 1,354 sq ft should be entered as 1354. Square footage should be for the project scope only.

Total Project Square Footage *

39504

19. Please check the box(es) that apply to the current application request and include the funding amount requested for each phase:

These options are limited based on the response to the question above.

Only whole numbers are allowed (no decimals). Numbers should be the same values in the corresponding sections on the required Budget Template document. The totals and match percentage will be automatically calculated.

See Sections 3.4 and 3.5 of the [Joint RFA](#) for additional information. *

<input type="checkbox"/> Peer Respite	
<input type="checkbox"/> Recovery Residence/sober living homes	
<input type="checkbox"/> Adult residential facilities (ARFs)	
<input type="checkbox"/> Residential Care facilities for the elderly (RCFEs)	
<input type="checkbox"/> Permanent Supportive Housing that serves the needs of seniors and adults with disabilities (including models that provide site-based care, such as Program for All Inclusive Care for the Elderly [PACE] and the Assisted Living Waiver programs)	
<input checked="" type="checkbox"/> Other residential care settings that serve the target population, including recuperative care sites	6,400,000

Total

\$ 6,400,000

If 'Other' was selected, please explain below.

Medical respite for individuals experiencing homelessness

20. Does the applicant have evidence of site control? Site control must include one of the following: *

- ☐ Clear title with no encumbrances or limitations that would preclude the proposed use (fee title)
- ☐ An existing long-term lease with provisions to make improvements on the property
- ☐ A leasehold estate held by a tribal entity in federal tribal trust lands property, or a valid sublease thereof that has been or will be approved by the Bureau of Indian Affairs BHCIP/CCE Joint RFA Application 9
- ☐ A fully executed option to purchase, sales contract, or other enforceable agreement to acquire the property
- ☒ A Letter of Intent (LOI) that outlines the terms of a sale or lease contract, providing that a fully executed option will be completed within 60 days
- ☐ A fully executed option to lease, or similar binding commitment from the property owner to agree to a long-term lease
- ☐ No

21. Document Upload: Site Control Documents

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

File	Description	Updated On
TGI Medical Respite Expansion_PTC and MLHC Info.pdf		2 Aug 2023 09:28 AM
TGI Medical Respite Expansion_Site Readiness.pdf		2 Aug 2023 03:02 PM

1 to 2 of 2 items

21.1. If the applicant does not have evidence of site control, please describe the plan and timeline for obtaining site control, and provide supporting evidence and a memorandum of understanding (MOU) or partnership agreement between site owner/applicant.

(Limit 2000 words)

22. Document Upload: Plan to Obtain Site Control

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

File	Description	Updated On
------	-------------	------------

No items to show...

23. Please provide a detailed narrative description of the proposed project’s construction and design, including how the design will serve the target population(s).

Please describe any preliminary site plans, design drawings, and/or construction plans for the proposed project. This may include cost estimates with valid budgetary numbers from an architect, engineer, or licensed general contractor. If no construction plan is yet in place, please submit a valid Rough Order of Magnitude (ROM) cost estimate from an architect, engineer, or licensed general contractor.

Please include a description of site amenities (examples: community and common areas, laundry, gated access, security, recreational areas, pool, community garden, etc.) and sustainable and green building elements.

Please describe any site mitigation requirements and complex or costly structural or site/topographical requirements. The narrative should also include an explanation of any required demolition and off-site improvements, as well as a detailed construction breakdown of these expenses.

(Limit 2000 words)

The property is an existing residential care for the elderly facility that is separated into assisted living and memory care. There is minimal renovation work required to begin operation. The assisted living side of the property will be converted to a medical respite providing 25 double-occupancy rooms (with privacy partitions) and 9 single occupancy rooms to accommodate a total of 59 guests when at capacity. The memory care side

e will be converted to an RCFE that will accommodate 38 guests in 19 double-occupancy rooms for very low-income seniors eligible for nursing home diversion to assisted living. Each room has its own bathroom with toilet, sink and shower which are ADA compliant and wheelchair accessible.

Site amenities include a commercial kitchen and a staff-managed laundry facility. A community dining and living room area is accessible to all guests 24 hours/day. An outdoor recreation and BBQ area will also serve as a designated smoking area. Ample parking on site is available. The site includes a private medical examination room and locked medication closet. Security cameras will be installed around the exterior of the home as well as in interior common areas and hallways.

Administrative offices for the program director and case managers are included in the design.

No mitigation, demolition or off-site improvements are required.

24. Please upload the following documents:

24.1. Completed Schematic Design Checklist

Document Upload: Schematic Design Checklist

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

[Form-3_Schematic-Design-Checklist](#)
[SCHEMATIC-DESIGN-CHECKLIST \(Excel\)](#)

File	Description	Updated On
Form_3_Schematic_Design_Checklist_TGI_061522.xlsx		1 Nov 2023 09:23 AM

1 to 1 of 1 items

24.2. Any preliminary site plans, design drawings, or construction drawings for the proposed project— these may include schematic designs, architectural drawings, construction blueprints, and/or other renderings (please limit each file size to less than 20 MB)

Document Upload: Preliminary Site Plans, Design Drawings, or Construction Drawings

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

File	Description	Updated On
TGI Medical Respite Expansion_Preliminary Site Plans, Design Drawings, or Construction Drawings#2.docx		12 Oct 2023 05:10 PM
TGI Medical Respite Expansion_Preliminary Site Plans, Design Drawings, or Construction Drawings.pdf		12 Oct 2023 05:00 PM

1 to 2 of 2 items

24.3. Please fill out and upload the schedule for design, acquisition of the property, and/or development or rehabilitation. Design, acquisition, or development/rehabilitation should begin within 6 months of funding award, subject to achieving necessary permits and approvals.




Document Upload: Form 4: Design, Acquisition, and Construction Milestone Schedule

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

[Template: Design, Acquisition, and Construction Milestone Schedule](#)
[Template \(excel format\): Design, Acquisition, and Construction Milestone Schedule](#)

File	Description	Updated On

File 	Description 	Updated On 
TGI - Milestones.pdf	Revised milestones 11/1/23	1 Nov 2023 12:32 PM
TGI Medical Respite Expansion_Design, Acquisition, and Construction Milestone Schedule.pdf		2 Aug 2023 09:26 AM

1 to 2 of 2 items

25. Does the applicant have all needed local, regional, and state approvals, will-serve letters, and building permits? *

☐ Yes ☒ No

26. List all approvals and permits that will be required to complete the project, and describe your strategy for obtaining them.

(Limit 2000 words)

TGI will apply to the Department of Social Services for RCFE licensure for the operation of the 38-bed assisted living facility. At this time, no building permits are anticipated.

27. Does the applicant have documentation of all required behavioral health facilities and services certifications/licenses, including those required by the appropriate state department? *

☐ Yes ☒ No

If the project can't be licensed/certified by the state or at the local level until it is completed, please list the relevant licensing/certification timelines and requirements. (Limit 500 words.) Please note: As part of the technical assistance that will be made available, applicants will be guided through the licensure and certification process to prepare them for the possibility of being successfully licensed or certified. *

(Limit 500 words)

Medical respite facilities are not licensed, so there is no documentation is required.

If you do not have one or more of the requested documents available, please share your timeline for completing them in the box below. Otherwise, enter "NA"

(Limit 2000 words)

n/a

28. Does your project support efforts to ensure care can be provided in most appropriate and least restrictive settings to support community integration, choice, and autonomy and/or reduce homelessness?

☒ Yes

☐ No

Please describe:

(Limit 1500 words)

Yes, TGI's proposed medical respite expansion is provided in a low barrier, congregate living setting with semi-private rooms in a suburban neighborhood. Each room will accommodate two guests and each has its own accessible/ADA compliant restroom. For guests that do not have a personal vehicle onsite, public transportation is within 0.2 miles and TGI's van is available to assist guests with keeping appointments. These transportation options will assure guests have access to medical appointments as well as the numerous nearby services and shopping. Guests are free to come and go during the day and are encouraged to seek employment.

Within 5 miles of the property are Kaiser Lincoln Medical Offices, Sutter Medical Plaza Lincoln and UC David Medical Group Rocklin. Less than 2 miles away are Target and Walmart Neighborhood Market; Quest Diagnostics is .3 mile away, and there is a public transportation bus stop located directly across the street.

29. Identify each of the States Priorities your project is targeting (RFA Section 1.2), and describe how the project will meet these priorities. *

State Priorities	Is your project targeting this priority?	If yes, please describe how your project will meet this state priority:
Invest in behavioral health and community care options that advance racial equity	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA
Seek geographic equity of behavioral health and community care options	<input checked="" type="radio"/> Yes <input type="radio"/> No	The Gathering Inn (TGI) is the only agency in Placer County operating a medical respite program for people experiencing homelessness. The current medical respite program is located in Mid-Placer County, and the proposed expansion will be located in South Placer County.
Address urgent gaps in the care continuum for people with behavioral health conditions, including seniors, adults with disabilities, and children and youth	<input type="radio"/> Yes <input checked="" type="radio"/> No	NA
Increase options across the life span that serve as an alternative to incarceration, hospitalization, homelessness, and institutionalization	<input checked="" type="radio"/> Yes <input type="radio"/> No	Guests in the medical respite program are offered support to transition into various programs including supportive housing, rapid rehousing, transitional housing, and Project Homekey to prevent return to places not meant for habitation.

State Priorities	Is your project targeting this priority?	If yes, please describe how your project will meet this state priority:
Meet the needs of vulnerable populations with the greatest barriers to access, including people experiencing homelessness and justice involvement	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>Guests are assigned a case manager to assist with establishing a case plan, connecting with a primary care doctor, keeping follow up medical appointments, and identifying opportunities for housing. Without proper support to keep follow up appointments, manage prescriptions, and ensure proper nutrition during recuperation, it is extremely likely that the individual will return to the emergency room or be re-admitted very soon after discharge.</p>
Ensure care can be provided in the least restrictive settings to support community integration, choice, and autonomy	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>TGI's medical respite is provided in a low barrier, home-like setting in a suburban neighborhood. For guest that do not have a personal vehicle onsite, public transportation is within 0.2 miles and TGI's van is available to assist guest. These transportation options will assure guest have access to medical appointments as well as the numerous nearby services and shopping. Guests are free to come and go during the day, are encouraged to seek employment.</p>
Leverage county and Medi-Cal investments to support ongoing sustainability	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>TGI has been approved by both managed care plans in the county to provide community supports, including medical respite, under the Cal-AIM initiatives.</p>
Leverage the historic state investments in housing and homelessness	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>TGI currently administers rapid rehousing funds and works closely with landlords and housing authorities to identify housing opportunities, and the existing medical respite program has the support of the major hospital systems in the county (Sutter Auburn Faith, Sutter Roseville, and Kaiser).</p>

30. Describe how the proposed project will expand community capacity for serving the target populations and address urgent gaps in the care continuum.

Under CCE, the target population includes seniors and adults with disabilities who require long-term care supports, giving priority to applicants and recipients of Supplemental Security Income/State Supplementary Payment (SSI/SSP) and/or Cash Assistance Program for Immigrants (CAPI) benefits who are at risk of or experiencing homelessness.

Please include data that demonstrates the project's need. This may include, for example, a county needs assessment, a facility wait list, the number of comparable facilities in the area, or other quantifiable documentation.

(Limit 2000 words)

TGI has been operating a Medical Respite Program (MRP) in Placer County in partnership with Sutter Health and Kaiser since 2009. At its beginning, the program provided a limited number of services aimed at improving health and housing outcomes of the homeless. These services included shelter, food, and basic needs, managed under the supervision of peer support and part-time staff. In the first year of operation, the program served 22 individuals.

The program has continuously evolved, adding services and broadening goals. These additions have been based on 2 reliable sources: Sutter's Community Health Needs Assessment (CHNA) and Placer County's Continuum of Care Gaps Analysis. Below is a set of identified needs universal to these reports:

- Access to Mental/Behavioral/Substance Abuse Services
- Access to Quality Primary Care Health Services
- Access to Basic Needs Such as Housing, Jobs, and Food
- Injury and Disease Prevention and Management
- Access to Specialty and Extended Care
- Active Living and Healthy Eating Resources

Today, TGI's MRP provides 24-hour staff who are trained to support individuals suffering from severe mental illness (SMI) and substance use disorder (SUD). In addition to round the clock staffing, the program employs a full-time program director and case manager. Case management provides a range of services which include linkage to primary and specialty care physicians, home health agencies, mental health providers, substance abuse programs, income assistance, employment, housing, transportation, and more.

In 2021:

- 55 individuals received services in the program
- 1280 bed nights were provided
- 985 case management service transactions took place
- 140 rides were provided
- 3900 meals were provided
- 90% of participants who entered the program without a primary care provider, left having established a medical home
- 65% of guests who completed the program were discharged to either permanent, transitional, or shelter housing
- Less than 1 percent of guests returned to the hospital

Near the close of 2021, the program increased its capacity from 5 to 10 beds and now has the capacity to serve 100 individuals annually. Yet, even with this increase in capacity, we still turn away 200 people a year that need medical respite.

In 2017, Placer County through the Whole Person Care Pilot Program, recognized the lack of medical respite care for homeless persons in the region and partnered with TGI to open a second facility. However, the county chose to discontinue the program after the pilot period. Today, TGI is the sole provider of medical respite services in the county.

Each year, our MRC program receives 300 referrals from contributing hospitals. Unfortunately, the lack of capacity forces us to turn away two-thirds of them!

In 2022, TGI became an approved Community Supports provider under CalAIM and is contracted with both managed care plans in Placer County and will soon be receiving referrals from non-hospital sources. TGI is seeking funding to renovate an existing assisted living facility to accommodate 60 medical respite beds, which will have the capacity to serve 480 individuals annually expanding the community's capacity for Medical Respite Services by 300%.

In January, 2023 TGI received funding through the PATH-CITED initiative which will allow for increased training for our staff in de-escalation, trauma informed care, bloodborne pathogen exposure, CPR and first aid, and will provide for five staff to complete Substance Use Disorder coursework and apply for the Certified Drug and Alcohol Counselor certification.

Because the proposed location has a separate memory care wing, TGI is proposing to further expand our services to include nursing home diversion to assisted living for SSI/SSDI recipients and those experiencing homelessness. There is a significant service gap for this type of care, and we are proposing 38 total beds under this program (19 double-occupancy rooms). TGI is in the process of applying for RCFE licensure for these 38 beds.

31. Does the proposed project commit to serving applicants and recipients of SSI/SSP or CAPI benefits?

☒ Yes ☐ No

31.1. Of the population that will be served by your project, what is the projected percentage of SSI/SSP or CAPI applicants or recipients? Provide current (if applicable) and projected percentages:

	Current percentages	Projected future percentages
SSI/SSP *	50 %	70 %
CAPI *	0 %	1 %

32. Describe how the project will address inequities for the target population(s) and meet the needs of individuals from diverse backgrounds. Examples of types of diversity include race, religion, country of origin, language, disabilities, culture, economic background, gender, sex, and behavioral health. The description should include supporting evidence of the strategies' effectiveness, if available.

(Limit 2000 words)

The demographics of the population we serve is consistent with the population of Placer County:
The Gathering Inn 2022 Placer County
White 80% 79%
Black 6% 2%
American Indian 4% 1%
Asian 1% 8%
Native Hawaiian 1% 1%
Multiple Races 8% 6%
Hispanic 15% 15%
Chronically homeless: 39%
Veterans: 8%
Serious Mental Illness: 57%
Substance Abuse Disorder: 43%
Currently fleeing domestic violence, sexual assault, dating violence or stalking situation: 12%
19% Who have lived in foster care or group homes

33. For the racial and ethnic populations that will be served, provide your best estimate of the percentage of the total people of each population. (Percentages must add up to 100%. Enter "0" if the population will not be served.) *

	Percent
African American/Black: %	<div>6 %</div>
Asian American/Pacific Islander: %	<div>2 %</div>
Latino/Hispanic: %	<div>0 %</div>
Non-Hispanic/Latino: %	<div>0 %</div>
Native American/Alaska Native: %	<div>4 %</div>
White: %	<div>80 %</div>
Mixed race: %	<div>8 %</div>
Other : %	<div>0 %</div>

(Limit 2000 words)

Non-Hispanic = 85%; Hispanic = 15%

34. How have you verified that your projected percentages reflect the community you plan to serve, and how will you measure successful utilization? Please include any data sources used for comparison.

(Limit 2000 words)

Our programs require proof of residency in Placer County to be eligible for services - residency can be confirmed by a government issued driver's license or identification card, enrollment in public benefits (Medi-Cal, Cal Fresh, etc), "official" mail (social security or government related documents) and involvement with Placer County probation or parole. Utilization will be measured by number of referrals received and demographic data for guests is captured in TGI's Homeless Management Information System (HMIS).

35. Do you have one or more letter(s) of support?



Yes



No

35.1. Document Upload: Letter(s) of Support

Please label all files for upload as follows: Applicant ID_Document Title.

Do not upload a password protected file.

File ⇅	Description ⇅	Updated On ⇅
TGI Letters of Support.pdf		29 Sep 2023 11:13 AM
TGI Medical Respite Expansion_LOS-Anthem Blue Cross.pdf		12 Oct 2023 05:01 PM
TGI Medical Respite Expansion_LOS-CA Health & Wellness.pdf		12 Oct 2023 05:01 PM

1 to 3 of 3 items

36. Original Submitter

Original submitted by *

keith@thegatherir

Original submission
date *

2022-07-28

EXHIBIT H

PROGRAM FUNDING AGREEMENT

SUMMARY COVER SHEET

Program Funding
Agreement ID

7480-CA CCE - XXX -01-G

Program Agreement
Effective Date:

Program Funding
Agreement Manager:

HORNE LLP (Horne)
661 Sunnybrook Rd., Suite 100, Ridgeland, MS 39157

Horne Engagement Partner: Anna Stroble

Sponsor:

xxx (“XXX”)
ATTN:
Address:
Phone:
Email address:

Prime Contract
Identification:

California Department of Social Services
Agreement No.: 22-3100
Contract Title: *Community Care Expansion (CCE)*

Contract Type:

Deliverable Based Type Contract Base Performance Period:

Consideration/Budget:

Capital Construction
Not to Exceed \$XXXX

Billing Terms:

See Attachment F-Payment Schedule

Payment Terms:

Payment remitted thirty (30) days after receipt of undisputed invoice

Program Funding Agreement Cover Sheet

(this page is not part of the Program Funding Agreement
and is for summary/reference purposes only)

This Program Funding Agreement (the “**Agreement**”) is entered into _____, 2023 (the “**Effective Date**”), by and between **HORNE LLP**, a Delaware limited liability partnership, with offices located at 661 Sunnybrook Rd., Suite 100, Ridgeland, MS 39157 (“**Horne**”), and **XXX**, a (state of formation) (entity type) with offices at **ADDRESS** (“**XXX**” or “**Sponsor**”). Horne and Sponsor may be referred to separately as a “**Party**” or collectively as “**Parties**.”

RECITALS

A. Horne entered into an agreement with the State of California (the “State”) through the California Department of Social Services (“CDSS”) to facilitate program funding awards and provide services to CDSS as the third-party administrator of the CDSS Community Care Expansion Program (“Program”). The agreement between CDSS and Horne shall hereinafter be referred to as the “Prime Contract” or “CDSS Contract”;

B. The purpose of the Program is to preserve and expand access to long-term care services for seniors and adults with disabilities in the least restrictive settings, prioritizing applicants and recipients of Supplemental Security Income/State Supplementary Payment (“SSI/SSP”) and Cash Assistance Program for Immigrants (“CAPI”) who are experiencing or at risk of homelessness;

C. Pursuant to the requirements of the Program and CDSS guidelines, qualified grantees or entities shall use program fund awards to expand or preserve the capacity of eligible residential adult and senior care settings by the acquisition, construction, renovation or other physical improvement of real property, infrastructure, or facilities;

D. Pursuant to the requirements of the Program and CDSS guidelines, certain grantees may use a portion of Program fund awards to establish a capitalized operating subsidy reserve (“COSR”) to cover potential or projected operating deficits on a facility that is deed restricted to provide licensed residential care for at least the term of the COSR;

E. In response to that certain Request for Applications issued by a previous agent on behalf of CDSS on or about January 21, 2022 (the “RFA”) for the Program, Sponsor submitted an application (“Application”) to construct the project described in the current Statement of Work, Attachment E hereto (“SOW”), located at _____ (the “Project”); and Sponsor has been awarded program funds for the Project in an amount not to exceed _____ (\$XXXX) (“Program Funds”), and a COSR for the operation of the facility in an amount not to exceed _____ Dollars (\$XXXX);

F. The COSR, if any, shall be awarded to Sponsor, subject to the terms of a Capitalized Operating Subsidy Reserve Agreement between Sponsor and Horne, the form of which is attached hereto as Attachment L; and

G. This Agreement sets forth the terms and conditions of Horne’s administration and management of the Program Funds and Sponsor’s duties and obligations related to its receipt of Program Funds. Capitalized terms not defined herein, shall have the meanings ascribed thereto in the California Welfare and Institutions Code sections 18999.97–18999.98.

NOW, THEREFORE, based upon the foregoing, and in consideration of the mutual covenants and agreements herein set forth, the Parties agree as follows:

ARTICLE 1.
AUTHORITY

California Assembly Bill 172 (Chapter 696, Statutes of 2021) (“AB 172”) added sections 18999.97-18999.98 to the Welfare and Institutions Code providing the statutory basis for the Program. CDSS issued the RFA for the Program Funds and Horne provides pre-application consultation, technical assistance, general training and support on individual CCE projects, as well as administration and fund management. Program Funds are derived from the State of California General Fund.

This Agreement is entered under the authority of and in furtherance of the Program. This Agreement is the result of the Application by Sponsor for funding under the Program.

This Agreement hereby incorporates by reference Sponsor’s approved Application, as well as any report prepared by Horne in reliance on the representations and descriptions included in that Application. This Agreement is governed by the following (collectively, the “Program Requirements”), and each of the following, as amended and in effect from time to time, is hereby incorporated by this reference as if set forth herein in full:

- 1.1 AB 172 (Chapter 696, Statutes of 2021), including any subsequent amendments to the statutes contained therein;
- 1.2 The RFA, in the form attached to this Agreement as Attachment M;
- 1.3 California Welfare and Institutions Code sections 18999.97–18999.98;
- 1.4 Guidance issued by CDSS regarding the Program;
- 1.5 Program Guidelines, or Program Manuals, as adopted by CDSS, and as may be amended from time to time;
- 1.6 The award letter issued by CDSS to Sponsor (“Award Letter”) attached to this Agreement as Attachment N; and
- 1.7 All other applicable law, including, but not limited to, California Labor Code statutes applicable to public works projects.

Sponsor is solely responsible and liable for Sponsor and Sponsor’s subcontractors’ performance and compliance with this Agreement, the above-referenced Program Requirements, and all other local, state, and federal laws applicable to the Project.

ARTICLE 2.
TERM

- 2.1 This Agreement shall commence on the Effective Date and shall expire automatically on June 30, 2029 (the “Expiration Date”), which Expiration Date may be extended by Horne or CDSS; (the period from the Effective Date through the Expiration Date shall be referred to herein as the “Term”), unless earlier terminated by Horne or CDSS or assigned to CDSS pursuant to Section 2.3 below.
- 2.2 Upon the expiration of the Term, there shall be no extension or renewal of the Term of this Agreement, unless the Parties and CDSS otherwise agree in writing.
- 2.3 In the event that the Term of this Agreement is not extended, renewed, or terminated early, and either Party hereto shall have a material obligation to the other Party by the terms of this Agreement, which shall not be satisfied on or before the Expiration Date, all of Horne’s rights and obligations under this Agreement shall be assigned to CDSS, if directed by CDSS, effective June 30, 2029, at 11:59 p.m. Each of the Parties hereto acknowledge and agree that upon the occurrence of an assignment pursuant to this Section 2.3, such an assignment shall be effective without any further action by either Party hereto, or CDSS, and from and after the date of such an assignment: (i) CDSS shall be a Party to this Agreement and shall have all rights and obligations of Horne hereunder and (ii) Horne shall cease to be a Party to this Agreement and shall be released from its obligations hereunder. Upon the occurrence of such assignment, the Term of this Agreement shall be extended automatically for a period of one (1) year and shall expire without any further action by either Sponsor or CDSS, unless Sponsor and CDSS otherwise agree in writing.
- 2.4 In the event that the Prime Contract is terminated or amended in a manner removing Horne from responsibility as a Party to this Agreement, and either Party hereto shall have a remaining obligation to the other Party by the terms of this Agreement, which shall not be satisfied on or before the Expiration Date, all of Horne’s right and obligations under this Agreement shall be assigned automatically to CDSS effective upon the date of the termination or amendment.
- 2.5 Notwithstanding the foregoing or anything to the contrary contained herein, Horne and/or CDSS shall have the termination rights as set forth in Article 9 and Article 10, of this Agreement.

ARTICLE 3.
PROGRAM FUNDS

Sponsor has been awarded the Program Funds in the amount set forth in this Agreement to be used solely for the purposes set forth in this Agreement and as detailed in the SOW and for no other purposes. Sponsor shall be responsible for any costs to complete the Project in excess of the Program Funds award amount. Sponsor shall return any excess or remaining Program Funds

to the State of California upon completion of the Project. Notwithstanding the foregoing, Sponsor may be awarded a COSR to cover deficits in operating expenses attributable to the Project; and the COSR will be subject to the terms of a Capitalized Operating Subsidy Reserve Agreement between Sponsor and Horne, the form of which is attached hereto as Attachment L.

ARTICLE 4.

CONDITIONS OF CLOSING AND DISBURSEMENT

This Agreement shall be subject to the conditions precedent to closing set forth in Section 4.1 below. Horne shall disburse the Program Funds to Sponsor upon satisfaction of the requirements described in Section 4.2 below. Program Funds disbursed for real property acquisition shall be disbursed only upon satisfaction of the requirements in Section 4.2 and the additional requirements of Section 4.3 below. Program Funds to be disbursed for construction costs shall be disbursed only upon satisfaction of the requirements of Section 4.2 and the additional requirements described in Section 4.4 below. Thereafter, Program Funds shall be disbursed to Sponsor for costs incurred for the Project within thirty (30) days of receipt of a complete request for Program Funds, provided such request for funds is approved by Horne or its designee.

- 4.1 Conditions Precedent to Effectiveness of this Agreement. This Agreement shall not become effective until the following have been submitted by Sponsor and approved by Horne:
 - 4.1.1 A fully executed copy of this Agreement, including all Attachments;
 - 4.1.2 An executed copy of Certification: Related Party & Related Party Transaction Disclosure;
 - 4.1.3 A completed Government Agency Taxpayer ID Form;
 - 4.1.4 An authorizing resolution or set of authorizing resolutions that, in Horne's reasonable determination, materially comports with the Program Requirements.
 - 4.1.5 Unless Sponsor is acquiring real property for the construction or operation of the Project, in which event Sponsor shall be subject to the requirements as described in Section 4.3.5.1, a certified copy of a recorded Declaration of Restrictions in the form attached to this Agreement as Attachment I, or deposit with Escrow Agent for recordation upon the mutual execution and release of this Agreement of a Declaration of Restrictions in such form, which shall be recorded against the real property upon which the Project is to be constructed or operated; provided that, in the event that the Project is being constructed or operated on a leasehold interest, which lease must be for a term of not less than thirty (30) years, the Sponsor shall record the Declaration of Restrictions against the leasehold and the fee interest to the real property upon which the Project is to be constructed or operated;
 - 4.1.6 Unless Sponsor is acquiring real property for the construction or operation of the Project, in which event Sponsor shall be subject to the requirements

as described in Section 4.3.5.2, a certified copy of a recorded Performance Deed of Trust in the form attached to this Agreement as Attachment J, or other real estate instrument required by CDSS or deposit with Escrow Agent for recordation upon the mutual execution and release of this Agreement of a Performance Deed of Trust in such form; provided that, in the event that the Project is being constructed or operated on a leasehold interest, which lease must be for a term of not less than either twenty (20) years for existing facility capacity expansion projects or thirty (30) years for new facility construction projects, the Sponsor shall record the Performance Deed of Trust against the leasehold and the fee interest to the real property upon which the Project is to be constructed or operated; and deliver to Horne within five (5) days after recordation an ALTA Lender's Policy of Title Insurance showing the Performance Deed of Trust in the lien priority, such policy in a form approved by Horne and only subject to such title exceptions as are approved by Horne, its designee, or CDSS;

- 4.1.7 Certificates of insurance evidencing coverages required by this Agreement and naming Horne and CDSS as additional insureds;
- 4.1.8 A title report reflecting all existing liens, encumbrances, taxes owed, easements, covenants or any other restrictions on the real property upon which the Project is to be constructed or operated. If Sponsor's interest in the real property upon which the Project is to be constructed or operated is a leasehold, then Sponsor shall provide a current title report for the leasehold interest and the fee interest. For tribal trust land, Sponsor shall provide a certified Title Status Report ("TSR") from the U.S. Department of the Interior Bureau of Indian Affairs ("BIA") or an attorney's opinion regarding chain of title and current title status;
- 4.1.9 A signed opinion letter from Sponsor's legal counsel opining that this Agreement, the Declaration of Restrictions, the Performance Deed of Trust, and the Program Requirements do not conflict with any existing contract, agreement, or other requirement applicable to Sponsor, the property upon which the Project is to be constructed or operated, or the Project, and are otherwise enforceable against Sponsor; and such opinion letter shall be in the form and substance acceptable to Horne and CDSS, in their sole discretion.

4.2 Requirements for Disbursement of Program Funds. No Program Funds shall be released to Sponsor for any Project costs until Sponsor submits, and Horne approves, the documents described below for each Program Funds request, and any additional supporting information as may be required:

- 4.2.1 The Sponsor's request for funds, with all required supporting documents appended thereto;

4.2.2 Delivery of all items listed in Attachment H required for the disbursements of Program Funds.

4.3 Requirements for Disbursement of Program Funds for Acquisition Costs. No Program Funds shall be released to Sponsor for any Project costs related to the acquisition of real property until Sponsor satisfies the requirements described in Section 4.2 above, and Sponsor submits, and Horne approves, all documents described in this Section 4.3, and any additional information as may be required by Horne. Program Funds disbursed for acquisition of real property will be deposited directly into an escrow account opened by Sponsor for the transfer of title of the real property with Old Republic Title Company, unless another title company is approved by Horne.

4.3.1 A fully executed purchase and sale agreement or other agreement evidencing Sponsor's right to acquire the property upon which the Project is to be constructed or operated;

4.3.2 A written appraisal report setting forth an opinion of fair market value of the real property upon which the Project is to be constructed or operated prepared by a certified general appraiser licensed in the State of California ("Certified Appraisal Report"), which shall be in a form and substance acceptable to Horne and dated no more than six (6) months prior to the applicable request for funds;

4.3.3 A commitment from a title insurance company for an ALTA Lenders Title Insurance policy in a form acceptable to Horne in the amount of the Program Funds. The condition of title, the insurer, the liability amount, the form of policy, and the endorsements shall be subject to Horne approval. The policy shall insure that Sponsor holds good and marketable title (fee simple or leasehold) and shall show the Performance Deed of Trust and Declaration of Restrictions in the lien priority approved by Horne and only subject to such title exceptions as are approved by Horne, its designee, or CDSS;

4.3.4 Evidence of any additional funds necessary for Sponsor to acquire the property upon which the Project is to be constructed if the Program Funds are not providing the full amount of the acquisition costs;

4.3.5 Signed escrow instructions, approved by Horne, providing for the following:

4.3.5.1 a Declaration of Restrictions in the form attached to this Agreement as Attachment I shall be recorded at the close of escrow against the real property upon which the Project is to be constructed or operated; and

4.3.5.2 a Performance Deed of Trust, or other real estate instrument required by CDSS, in the form attached to this Agreement as

Attachment J shall be recorded at the close of escrow against the real property upon which the Project is to be constructed or operated.

4.3.6 Applicable documents and deliverables described in Attachment H required for the disbursements of Program Funds.

4.4 Requirements for Disbursement of Program Funds for Construction Costs. No Program Funds shall be released to Sponsor for Project costs related to construction on the Project until Sponsor satisfies the requirements described in Section 4.2 above, and Sponsor submits, and Horne approves, all documents described below, and any additional information as may be required, with each request for disbursement of funds for construction:

4.4.1 Plans and specifications for the construction work approved by Horne;

4.4.2 An executed construction contract, based on a permitted set of construction plans with a licensed general contractor for an amount consistent with the construction costs in the approved Project budget, based on the sources and uses attached hereto as Exhibit A and Exhibit B (as the same may be modified from time to time, with prior notice to Horne, the "Project Budget") that incorporates the requirements of this Agreement including, but not limited to, the prevailing wage requirements, and contains the Construction Contract Rider in the form attached as Attachment K;

4.4.3 Copies of labor and material bonds and performance bonds for the construction work in an amount equal to one hundred percent (100%) of the cost of construction, naming Horne and CDSS as co-obligees on the bonds;

4.4.4 A written request for Program Funds on a form approved by Horne providing sufficient detail and with sufficient supporting documentation to permit Horne or its designee to confirm that the request is consistent with the terms of this Agreement and the Project Budget accompanied by (a) certification by Sponsor's architect or project manager that the work for which disbursement is requested has been completed (although Horne reserves the right to inspect or have its designee inspect the Project and make an independent evaluation); (b) invoices and related back-up information and documentation required by Horne evidencing the amounts being requested; and (c) lien releases and/or mechanics lien title insurance endorsements reasonably acceptable to Horne; and

4.4.5 Applicable documents and deliverables described in Attachment H required for the disbursements of Program Funds.

4.5 Disbursements for Predevelopment Expenses. Notwithstanding anything to the contrary stated in this Article 4, or otherwise in this Agreement, Program Funds

may be released to Sponsor for certain predevelopment Project costs, subject to approval by Horne, its designee, or CDSS, in their sole discretion; provided, that Sponsor has satisfied the requirements set forth in subsections 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.7, 4.1.9, 4.2.1, 4.2.2, and the Project budget includes predevelopment expenses.

ARTICLE 5.

CONSTRUCTION PROJECTS/NOTICE TO PROCEED

In the event that Program Funds are used for the performance of construction on the Project, Sponsor shall submit any update to the Project Budget and a copy of the project schedule to Horne for its approval prior to issuance of a notice to proceed to Sponsor's general contractor. The updated Project Budget and project schedule shall be consistent with the final plans and specifications for the Project. Sponsor shall not issue a notice to proceed to its general contractor until Horne has approved the updated Project Budget and project schedule.

ARTICLE 6.

PERFORMANCE

Sponsor shall comply with the schedule set forth in the Performance Milestones in Attachment H and shall provide all applicable documents or deliverables described in Attachment G when requested. Sponsor shall provide regular progress reports to Horne, but in all events at least once every thirty (30) days, including its progress toward meeting the Performance Milestones. The Project shall not be considered complete until the submission of the required Notice of Completion signed by General Contractor and Architect, the certificate of occupancy, and copies of all unconditional lien waivers. Sponsor may apply to Horne for an extension of any Performance Milestones or an extension to submit any required deliverable, which Horne may approve based on a showing of good cause and acceptable assurances from Sponsor for timely completion of the remaining Performance Milestones as determined by Horne. Any extension granted by Horne shall not be effective unless granted in writing, and such writing shall be considered an amendment to this Agreement and incorporated herein. Funding sources are summarized and located on <https://www.ccegrant.com/> (the "Website"). Any updates to obligation and liquidation dates will be reflected on the Website, with communication updates being sent out to all grantees. Currently, there are three (3) funding sources for the Program, and the deadlines are as follows: General Funds must be obligated by June 2027, and expended by June 2029. The portion of the Program Funds originating from the State of California, General Fund (formerly State Fiscal Recovery Fund or SFRF), must be obligated by June 2024, and expended by December 2026. The portion of Program Funds originating from the State of California, Health and Human Services Agency, Home- and Community Based Services Fund ("HCBS"), must be obligated by December 2023 and expended by March 2024. Any updates related to obligation or expenditure dates and deadlines reflected on the Website and formal communication to the grantee, will be automatically applicable to this Agreement and the funding sources being applied toward the Project. The specific source of funding for a specific activity as well as the affiliated liquidation timeline for that funding source will be shared at the time of disbursement.

FAILURE TO SATISFY ANY ONE OF THE DELIVERY OBLIGATIONS REQUIRED HEREUNDER AND/OR PERFORMANCE MILESTONES (UNLESS SUCH PERFORMANCE MILESTONE IS EXTENDED) SHALL CONSTITUTE A BREACH OF THIS AGREEMENT AND ENTITLE HORNE TO MANDATE SPONSOR TO RETURN TO THE STATE OF CALIFORNIA ANY PROGRAM FUNDS DISBURSED; IN ANY SUCH INSTANCE, HORNE MAY, WITH CDSS APPROVAL, ALSO CANCEL THIS AGREEMENT WITHOUT OWING ANY DAMAGES OR OTHER PAYMENT TO SPONSOR.

ARTICLE 7.

FISCAL ADMINISTRATION

- 7.1 Disbursements of Program Funds to Sponsor by Horne shall be made directly to applicable contractors or vendors or to Sponsor, unless such funds are to be used for acquisition of the property upon which the Project is to be constructed or operated or otherwise required to flow through escrow, in which event the Program Funds shall be deposited directly into an escrow account established with a title company approved by Horne. All interest earned from the deposit of Program Funds shall be used by Sponsor for eligible Program activities. Program Funds shall be segregated from Sponsor's other funds and shall only be disbursed for eligible Program Funds costs.
- 7.2 Horne has approved the sources and uses attached as Exhibit A and Exhibit B, as such sources and uses may be updated into the Project Budget in accordance with Article 5. Sponsor may adjust line items in the budget without the prior approval of Horne, provided that such adjustments do not increase the overall budget amount, and provided further that Sponsor provides notice to Horne of the budget changes. Any use of any contingency amounts listed in the sources and uses attached hereto or the Project Budget, however, shall require the prior approval of Horne, which may require submittal of Sponsor's plans for mitigation of any events or circumstances necessitating the use of contingency funds. If upon completion of a particular phase or segment of the Project the Program Funds allocated to that segment or phase have not been fully expended, the Program Funds allocated to Sponsor for such segment of the Project shall remain available to Sponsor for disbursement for subsequent segments of the Project; provided, however, in no event shall the total amount of the Program Funds available to Sponsor exceed the amount set forth in this Agreement without a written amendment to this Agreement approved by Horne and CDSS.
- 7.3 Sponsor shall notify Horne in a timely manner of any changes in the work required to be performed under this Agreement, including any additions, changes, or deletions to the plans and specifications approved by Horne. Sponsor shall provide prior notice to Horne of any written change order before any of the following changes, additions, or deletions in work for the Project may be performed: (1) any change in the work the cost of which exceeds Twenty-Five Thousand Dollars (\$25,000); (2) any set of changes in the work the cost of which cumulatively exceeds One Hundred Thousand Dollars (\$100,000); (3) any

material change in building materials or equipment, specifications, or the structural or architectural design or appearance of the Project, as provided for in the plans and specifications approved by Horne; or (4) any changes in the project schedule that will extend the completion date. Notice of any additions, changes, or deletions to the work shall not relieve or release Sponsor from any other obligations under this Agreement or relieve or release Sponsor or its surety from any surety bond.

- 7.4 Sponsor shall provide Horne with an updated Project Budget and project schedule for the Project when 50% completion of construction work is achieved that shows all changes in costs and schedule from the Project Budget and project schedule provided to Horne prior to issuance of the notice of proceed.
- 7.5 Any Program Funds that have not been expended by the expiration of the Base Performance Period set forth in the Summary Cover Sheet and the Attached Performance Milestones must be returned to CDSS with accrued interest. Returned Program Funds shall be paid as directed by Horne or CDSS, no later than thirty (30) calendar days after the expiration of the applicable Base Performance Period.
- 7.6 In the event that Sponsor receives a COSR, the terms of disbursement to Sponsor shall be governed by that certain Capitalized Operating Subsidy Reserve Agreement between Sponsor and Horne, and not the terms of this Agreement. A COSR shall be available for use by Sponsor only for a period of up to five (5) years from the date of commencement of operations in the new or expanded facility, or March 31, 2029, whichever is earlier, unless otherwise authorized by CDSS; and in the event that the facility carries an operating deficit after the expiration of such five- (5) year period, Sponsor shall be solely liable and responsible for all operating costs previously funded by a COSR. For the avoidance of doubt, in no event shall the total amount of the Program Funds or the COSR available to Sponsor exceed the amounts set forth in this Agreement without a written amendment to this Agreement approved by Horne and CDSS.

ARTICLE 8.

CHANGES TO STATEMENT OF WORK

- 8.1 Sponsor shall not change the SOW without the prior approval of Horne or CDSS, which may be approved or disapproved by Horne or CDSS, each in its sole discretion. Horne and CDSS' decision to disapprove a request to change Sponsor's SOW is fact-specific, and the decision shall be final and not subject to further review. Sponsor shall submit to Horne a written request to change the SOW, which shall include a detailed description of the following criteria:
 - 8.1.1 The changes to the services or the Project that Sponsor is requesting to make.

- 8.1.2 A detailed explanation of why the change is necessary and justification for how the change in Sponsor's Project will preserve or expand capacity of residential adult and senior care facilities and/or serve Qualified Residents as that term is defined in Welfare and Institutions Code section 18999.97.
- 8.1.3 Anticipated additional costs of changes to the Project, including a financial plan for meeting additional costs.
- 8.1.4 Any other information requested by Horne or CDSS to evaluate Sponsor's request.

Any changes to the SOW approved by Horne and/or CDSS shall be provided to Horne and considered an amendment to this Agreement and incorporated herein.

- 8.2 Sponsor is solely liable and responsible for any increases in costs that exceed the Program Fund award. In no event shall Horne or CDSS be responsible for any costs that exceed the Program Funds. In the event that Project costs exceed the funds that Sponsor has available to pay such costs, Sponsor shall within thirty (30) days of such occurrence provide for Horne's approval a financial plan for meeting such additional costs which additionally may be approved or disapproved by CDSS, in its sole discretion. A financial plan for meeting additional costs may include Sponsor providing additional funds for the Project or Sponsor incurring additional debt. Sponsor shall not incur any additional debt without the prior written approval of Horne.

ARTICLE 9.

DEFAULT AND REMEDIES

- 9.1 Event of Default. Any of the following shall, after notice by Horne or CDSS and expiration of any applicable cure period, constitute an Event of Default under this Agreement:
 - 9.1.1 Sponsor's failure to satisfy the conditions precedent to disbursement of Program Funds as set forth in Article 4 above, or to expend Program Funds pursuant to the terms of this Agreement.
 - 9.1.2 Sponsor's failure to timely satisfy each or any of the conditions set forth in this Agreement, or the Award Letter.
 - 9.1.3 Sponsor's violation of any of the Program Requirements.
 - 9.1.4 Horne's or CDSS' determination of the following:
 - 9.1.4.1 Sponsor has concealed any material fact from Horne or CDSS related to Sponsor, the Application, the property upon which the Project is to be constructed or operated or the Project; or

- 9.1.4.2 Any material fact or representation made or furnished to Horne or CDSS by Sponsor in connection with the Application, the Award Letter, or this Agreement shall have been untrue or misleading at the time that such fact or representation was made known to Horne, or subsequently becomes untrue or misleading; or
 - 9.1.4.3 Any certification or deliverable provided by Sponsor is determined to be untrue or misleading.
 - 9.1.4.4 Any objectives or requirements of the Program cannot be met in accordance with this Agreement or within applicable timeframes, as memorialized by this Agreement.
- 9.2 Right to Cure. If the breach, violation, or default pursuant to Section 9.1 is not cured to Horne's and CDSS' satisfaction, as determined by Horne and CDSS, in their sole and absolute discretion, within fourteen (14) days of notice to Sponsor, provided in accordance with the notice requirements of this Agreement, then Horne, with CDSS approval, may declare a default under this Agreement.
 - 9.2.1 Notwithstanding the foregoing, Sponsor may request additional time to cure any default. Horne may, but shall not be required to, grant any such request, subject to CDSS approval. Horne's approval of Sponsor's request for additional time to cure shall be subject to Sponsor's continuing and diligent efforts to cure, and any additional cure period provided to Sponsor shall be reasonable, as determined by Horne, subject to CDSS approval. For the avoidance of doubt, any extension of the cure period shall be granted by Horne or CDSS in writing in their sole discretion.
- 9.3 Horne/CDSS Remedies. Upon the occurrence of an Event of Default, Horne (on CDSS' behalf) and/or the State (represented by CDSS in this Agreement) may take any and all actions or remedies that are available under this Agreement, at law, or in equity, including, but not limited to, the following:
 - 9.3.1 temporarily withhold disbursement of Program Funds pending correction of the breach, violation, or default;
 - 9.3.2 disallow use of Program Funds for all or part of the costs resulting from the breach, violation, or default;
 - 9.3.3 wholly or partly suspend or terminate this Agreement and Sponsor's award of Program Funds, or disbursements thereof (any such suspension or termination of this Agreement or Sponsor's award of Program Funds shall be effective upon Sponsor's receipt of Horne or CDSS notice of termination or suspension);
 - 9.3.4 withhold or deny further Program Funds or awards to Sponsor,

- 9.3.5 require Sponsor to return all or part of any Program Funds, including any interest;
- 9.3.6 any and all remedies under the Performance Deed of Trust;
- 9.3.7 any and all remedies under the Declaration of Restrictions;
- 9.3.8 specific performance;
- 9.3.9 injunctive relief;
- 9.3.10 recovery and completion of the Project pursuant to the payment and performance bonds; and
- 9.3.11 any and all remedies allowed by law or equity.

ARTICLE 10. **TERMINATION**

- 10.1 Horne and/or CDSS shall have the right, each in its sole discretion and without prejudice to any other rights and remedies it may have under applicable law, to terminate this Agreement immediately upon notice of such termination to Sponsor, if (i) an Event of Default occurs; (ii) three (3) breaches, violations or defaults by Sponsor of the terms and conditions of this Agreement (whether the same or different) occur within any twelve (12)-month period, regardless of whether any or all such breaches, violations or defaults are timely corrected; (iii) Sponsor files a petition in bankruptcy or is adjudicated by a court of competent jurisdiction to be bankrupt or insolvent, or makes an assignment for the benefit of creditors or an arrangement pursuant to any bankruptcy law, or if Sponsor discontinues or dissolves its business, or if a receiver is appointed for Sponsor or Sponsor's business; (iv) any lender to Sponsor declares a default under its loan agreement, or funds available to Sponsor from any lender become unavailable such that Sponsor is unable to timely satisfy obligations under this Agreement; or (v) Sponsor fails to provide Horne or CDSS with adequate assurances within a reasonable time that Sponsor is financially solvent or, Horne or CDSS determines, that Sponsor is financially insecure.
- 10.2 Upon termination of this Agreement for any reason, neither Horne nor CDSS shall be liable for any work that is not performed in accordance with the Agreement. Upon any termination, neither Horne nor CDSS shall be responsible for any additional disbursements of Program Funds after the termination date or for any damages to Sponsor as a result of such termination.

ARTICLE 11. **INSURANCE**

11.1 **Insurance Requirements.** Sponsor shall continuously maintain for the duration of this Agreement, and so long as the Declaration of Restrictions is in place, the following insurance at, or in excess of, the limits detailed below:

11.1.1 A Builders Risk policy including a permission to occupy endorsement during the course of construction, and upon completion of construction, if the Project is new construction, property insurance covering all risks of loss, excluding earthquake, flood or other risks customarily excluded from “All-Risks” coverage, in an amount equal to full replacement cost of the Project, including all improvements, fixtures, furnishings and equipment thereon at the time of loss.

11.1.2 If the Project is rehabilitation of an existing facility, property insurance covering all risks of loss, excluding earthquake, flood or other risks customarily excluded from “All-Risks” coverage, in an amount equal to the full replacement costs of all improvements located on the property upon which the Project is to be constructed, including all improvements, fixtures, furnishings and equipment thereon at the time of loss. Upon completion of the rehabilitation, any property insurance policy shall be updated to reflect the increased replacement costs resulting from the rehabilitation.

11.1.3 Worker’s compensation insurance as required by the State.

11.1.4 Comprehensive automobile and vehicle liability insurance covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including on-site and off-site operations, and owned, non-owned, or hired vehicles with \$1,000,000 combined single limits.

Commercial general liability insurance of not less than \$1,000,000 per occurrence with an annual aggregate limit of [\$5,000,000/\$2,000,000]¹ for bodily injury and property damage liability combined. The Sponsor’s required limits may be satisfied through a combination of general liability and umbrella policies of coverage. The commercial general liability insurance policy shall cover liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured agreement. The commercial general liability insurance shall apply to each insured against whom claim is made or suit is brought subject to Sponsor’s limit of liability.

¹ HORNE/CDSS TO DETERMINE FOR EACH CONTRACT, DEPENDING ON SIZE OF PROJECT AND SPONSOR.

- 11.2 Policy Requirements. All policies, except Workers' Compensation, shall be endorsed to name Horne and CDSS as an Additional Insured with respect to the work to be performed by Sponsor. The endorsements and policies will provide that the insurer waives its rights of subrogation, and the insurer will provide notice to Horne in writing at least thirty (30) days prior to any cancellation, material change in coverage or intent not to renew such insurance coverage. All such insurance must be primary and non-contributory and required to respond and pay prior to any other insurance or self-insurance available. Horne, in its sole discretion, may accept evidence of self-insurance if Horne determines that such self-insurance provides adequate coverage.
- 11.3 Contractor Insurance Requirements. Sponsor shall require its general contractor and its subcontractors to provide insurance in the amounts and form set forth above during the course of construction (except the general contractor shall not be required to maintain Builder's Risk insurance or property insurance) and to name Horne and CDSS as additional insureds on all such insurance during the course of construction.
- 11.4 Certificates of Insurance. Upon Horne's request, Sponsor shall immediately deposit with Horne and CDSS a certificate of insurance evidencing the above insurance coverage and naming Horne and CDSS as additional insured parties under such policies. Sponsor agrees that the insurance required herein shall remain in effect at all times during the term of the Agreement and the term of the Declaration of Restrictions. During the term of this Agreement, at least thirty (30) calendar days prior to the expiration of any policy of insurance required herein, Sponsor shall provide to Horne and CDSS a new certificate of insurance evidencing insurance coverage as provided herein for a period not less than one year. Notwithstanding the expiration of this Agreement, the Sponsor shall provide to CDSS a new certificate of insurance evidencing insurance coverage as provided herein for a period not less than either twenty (20) years for existing facility capacity expansion projects, or thirty (30) years for new facility construction projects, from the date of either of the following: (i) the date of issuance of a Certificate of Occupancy, or (ii) the date of recordation of a Notice of Completion, in the official records of the county where the Project is located.
- 11.5 Insurance Indemnification. Sponsor shall indemnify, defend and hold harmless Horne and CDSS against any and all liabilities to third persons and other losses (not compensated by insurance or otherwise) and for any other costs and expenses incurred, including reasonable attorneys' fees, judgments, settlements or penalties, as a result of any claim or liability resulting from the failure of Sponsor (or its lower tier subcontractors or consultants) to maintain the insurance policies required by this Section.
- 11.6 Insurance Premiums. Neither Horne nor CDSS shall be responsible for any premiums, deductibles, or assessments on any insurance policy referred to in this Agreement.

- 11.7 Survival. The requirements to provide insurance in this Article 11 shall survive termination of this Agreement.

ARTICLE 12. **OPERATIONS**

Sponsor agrees that in consideration of the receipt of Program Funds pursuant to the terms of this Agreement, Sponsor shall enter into, as required by this Agreement, the Declaration of Restrictions, to be recorded against the property upon which the Project is to be constructed or operated, in a form substantially similar as attached hereto and incorporated herein by this reference as Attachment I. The Declaration of Restrictions shall by its terms restrict the development, use, and occupancy of the Project for the term of either twenty (20) years for existing facility capacity expansion projects or thirty (30) years for new facility construction projects, each from either the date of the issuance of a Certificate of Occupancy or the date of recordation of a Notice of Completion in the official records of the county in which the Project is located. In addition to any requirements in the Declaration of Restrictions, Sponsor shall comply with all health and safety requirements associated with the operation and maintenance of the Project for the benefit of the occupants of the Project. These rights and obligations shall survive the expiration or early termination of this Agreement and are covenants running with the Project pursuant to the Declaration of Restrictions in the form of Attachment I to be recorded against the Project. During the Term of this Agreement and the term of the Declaration of Restrictions Sponsor shall execute such other documents as required by CDSS to comply with the Program Requirements, including operating agreements, deed restrictions, covenants and conditions recorded against the Project.

ARTICLE 13. **POLICIES AND LEGAL AUTHORITIES**

- 13.1 Sponsor covenants comply with all California and federal law, regulations, and published guidelines, to the extent that these authorities contain requirements applicable to Sponsor's performance under this Agreement, construction of, possession or ownership of the Project, including any licensing and health and safety requirements.
- 13.2 Sponsor shall comply with California Welfare and Institutions Code sections 18999.97 -18999.98 *et seq.*, including any related CDSS guidance, regulations, and/or subsequent additions or amendments thereto.
- 13.3 In the event Sponsor does not comply with the terms of this Article 13, Horne shall have all rights set forth in Article 9 and Article 10 and available at law or in equity.

ARTICLE 14. **INDEMNIFICATION**

- 14.1 Sponsor shall indemnify, defend, and hold harmless Horne, its officers, employees, and agents, and CDSS and its officers, employees and agents against liabilities to third persons and other losses (not compensated by insurance or

otherwise) and for any costs and expenses incurred by Horne and CDSS, including reasonable attorneys' fees, judgments, settlements or penalties, against all liabilities, claims, suits, demands or liens for damages to persons or property ("Claims") (except to the extent such Claims arise from the gross negligence or willful misconduct of Horne or CDSS), arising out of, resulting from, or relating to, Sponsor's performance under this Agreement or related in any way to the Project, and including, but not limited to the following:

- 14.1.1 Any act, omission, or statement of Sponsor, or any person employed by or engaged under contract with Sponsor that results in injury (including death), loss, or damage to any person or property;
- 14.1.2 Any failure on the part of Sponsor to comply with applicable Program Requirements and requirements of law;
- 14.1.3 Any failure to maintain the insurance policies required by this Agreement or the work performed, inclusive of intellectual property infringement, if applicable, under this Agreement. Insurance coverage that may be required shall in no way lessen or limit the liability of Sponsor under the terms of this obligation.
- 14.1.4 Any failure on the part of Sponsor to satisfy all claims for labor, equipment, materials and other obligations relating to the performance of the work hereunder;
- 14.1.5 Any injury to property or person occurring on or about the infrastructure or the property of Sponsor; or
- 14.1.6 Any claims related to the use, generation, storage, release, threatened release, discharge, disposal or presence of hazardous materials on, under or about the property upon which the Project is to be constructed.
- 14.2 Sponsor shall indemnify Horne and CDSS under this clause for any of the above acts attributable to its employees, consultants, agents, and/or lower-tiered subcontractors engaged in performance of the work under this Agreement. Horne or CDSS shall provide timely notice of any Claim describing in reasonable detail such facts and circumstances with respect to such Claim. Sponsor shall defend Horne and CDSS with counsel reasonably acceptable to Horne and CDSS. Horne and CDSS may, at their option and own expense, engage separate counsel to advise them regarding the Claim and its defense. Such counsel may attend all proceedings and meetings. Sponsor shall not settle any Claim without the consent of Horne and CDSS, as applicable.
- 14.3 Sponsor agrees to indemnify, defend and save harmless Horne, its officers, agents and employees and CDSS, its officers, agents and employees from any and all claims, costs (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, or proceeding, commenced or

threatened), and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Sponsor in the performance of this Agreement.

14.4 This indemnification shall survive the expiration or termination of the Agreement.

ARTICLE 15. **PREVAILING WAGE**

Any construction work that is part of Sponsor's Project is subject to state prevailing wage law, including California Labor Code section 1720 *et seq.* Sponsor is urged to seek professional legal advice about prevailing wage law requirements and Sponsor's obligations thereunder. Prior to disbursing the Program Funds, Sponsor must provide evidence of Sponsor's and its general contractor's compliance with California's prevailing wage law and all applicable wage and hours laws. Sponsor shall also comply with any other labor requirements applicable to the Project as a result of other funding sources or regulatory requirements.

ARTICLE 16. **ENVIRONMENTAL CONDITIONS**

If the SOW includes the acquisition of real property, Sponsor shall provide a Phase I Environmental Site Assessment ("ESA") for the Project, in conformance with ASTM Standard Practice E 1527, evaluating whether the Project is affected by any recognized environmental conditions. If the Phase I ESA discloses evidence of recognized environmental conditions and Sponsor desires to proceed with the Project, Sponsor shall provide Horne with a Phase II report and any additional reports as required by Horne and in a form acceptable to Horne. Sponsor shall also provide an asbestos assessment and a lead-based paint report for Horne's approval if the Project involves rehabilitation or demolition of existing improvements. Prior to disbursement of Program Funds for real property acquisition, Horne shall require Sponsor to provide evidence to Horne that all recommendations of the Phase I or Phase II ESA have been complied with or shall be complied with prior to commencement of construction. Prior to disbursement of Program Funds for any rehabilitation work, Horne shall require the Sponsor to provide evidence that all asbestos and/or lead-based paint has been abated.

ARTICLE 17. **RELOCATION**

Sponsor must comply with the California Relocation Assistance Law (California Government Code section 7260 *et seq.*) and its implementing regulations ("Relocation Laws") if the Project will result in the displacement, as that term is defined in the Relocation Laws, of any persons, businesses, or farm operations. Pursuant to the Relocation Laws, a Sponsor must have a relocation plan prior to proceeding with any phase of a Project or other activity that will result in the displacement of persons, businesses, or farm operations. Sponsor shall provide any required notices and relocation benefits in accordance with the Relocation Laws. Sponsor shall provide

Horne with evidence that it has complied with all applicable Relocation Laws and California Health & Safety Code and corresponding regulations for the safe transfer and relocation of residents in residential care facilities licensed by CDSS, and Sponsor shall certify to CDSS that it shall obtain a CDSS-approved relocation plan for each resident in care.

ARTICLE 18.
INSPECTIONS, AUDITS, AND RECORD RETENTION

- 18.1 Horne and CDSS or any of their authorized representatives shall have the right to access any documents, papers, or other records of Sponsor which are pertinent to the Program Funds, for the purpose of performing audits, examinations, and/or review regarding compliance with the provisions of this Agreement and the Program Requirements. Such monitoring activities shall include, but are not limited to, inspection of Sponsor's books and records, in addition to site inspections, as Horne deems appropriate.
- 18.2 Horne and CDSS may perform compliance reviews, review procedures and documents pertaining to the SOW and other elements of this Agreement, perform on-site visits and desk reviews in order to ensure Sponsor's compliance with this Section, as well as protect against fraud, waste and abuse.
- 18.3 The right to access records also includes timely and reasonable access to Sponsor's personnel for the purpose of interview and discussion related to the requested documents and/or information.
- 18.4 The right to access records is not limited to the required retention period but lasts as long as the records are retained by Sponsor.
- 18.5 Sponsor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Program Funds, COSR, or Project for a minimum of five (5) years.
- 18.6 Sponsor shall, and shall ensure that each of its subcontractors, if applicable, shall, comply with the requirements set forth in Attachment C - The California Department of Social Services Confidentiality and Information Security Requirements.
- 18.7 Sponsor recognizes and acknowledges that CDSS is a public entity subject to the Public Records Act, and information submitted by Sponsor to Horne or directly to CDSS may be subject to public disclosure and Sponsor has no right to assume that such information shall be kept confidential.
- 18.8 Any review or inspection undertaken by Horne, its designee, or CDSS, or its designee, with reference to the Project is solely for the purpose of determining whether Sponsor is properly discharging its obligations to CDSS and should not be relied upon by Sponsor or by any third parties as a warranty or representation by Horne or CDSS as to the quality of the design or construction of the Project.

18.9 Sponsor agrees that claims based upon an audit finding and/or an audit finding that is appealed and upheld, shall be recovered by Horne or CDSS by one of the following options:

18.9.1 Sponsor's remittance to Horne or CDSS of the full amount of the audit exception within thirty (30) days following Horne request for payment; or

18.9.2 A repayment schedule which is agreeable to both Horne and Sponsor.

Horne reserves the right to select which option described above shall be employed; and Horne shall notify Sponsor in writing of the claim procedure to be utilized. Interest on the unpaid balance of the audit finding or debt shall accrue at a rate equal to the maximum allowed by applicable law.

ARTICLE 19. **THIRD PARTY BENEFICIARIES**

The State, represented by CDSS in this Agreement, is a third-party beneficiary of this Agreement. The Agreement shall not be construed so as to give any other person or entity, other than the Parties and CDSS, any legal or equitable claim or right. CDSS or another authorized department or agency representing the State of California may enforce any provision of this Agreement to the full extent permitted in law or equity as a third-party beneficiary of this Agreement. The State may take any and all remedies available in law and equity. In the event of litigation, the State may choose to seek any type of damages available in law or equity, up to the full amount of Program Funds awarded to Sponsor.

ARTICLE 20. **MISCELLANEOUS**

20.1 Dispute Resolution.

20.1.1 The Parties shall use reasonable efforts to resolve any dispute arising under this Agreement within thirty (30) days pursuant to informal mediation before a retired judge with Judicial Arbitration and Mediation Services ("JAMS") in Los Angeles, California.

20.1.2 If the Parties cannot resolve a dispute arising under this Agreement pursuant to Section 20.1.1, the Parties shall submit such dispute to arbitration in accordance with the provisions of the American Arbitration Association. The Parties shall conduct any arbitration in Los Angeles, California. The arbitrator's decision in any such arbitration shall be final, conclusive, and binding on the Parties.

20.1.3 TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES HEREBY UNCONDITIONALLY WAIVE ANY RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY CLAIM ARISING OUT OF THIS AGREEMENT.

20.1.4 The Sponsor shall be obligated to continue to perform pursuant to this Agreement while any dispute is pending.

20.1.5 This Section 20.1 shall not apply to CDSS or the State.

20.2 Attorneys' Fees. If a dispute arising out of this Agreement is finally adjudicated, the non-prevailing party shall pay the prevailing party's reasonable expenses incurred in connection therewith, including reasonable arbitration costs and reasonable attorneys' fees. If multiple items are disputed and the final decision is split, then the Parties shall allocate such expenses pro rata as to each item. Section 20.2, Attorneys' Fees provisions do not apply to the State.

20.3 Waiver. Horne's failure to notify Sponsor of a breach or to insist on strict performance of any provision of this Agreement shall not constitute waiver of such breach or provision.

20.4 Remedies. No remedy in this Agreement is exclusive of any other remedy available under this Agreement, at law or in equity. Horne or CDSS may seek equitable relief, including an injunction, against Sponsor in connection with any breach or threatened breach of this Agreement.

20.5 Limitation of Liability. Except as otherwise provided in this Agreement, or by applicable law, Sponsor waives any right to seek, and Horne and CDSS shall not be liable for any special, consequential, or punitive damages; indirect, or incidental damages; or for any loss of goodwill, profits, data, or loss of use arising out of, resulting from, or in any way connected with the performance or breach of this Agreement, even if Sponsor advises Horne or CDSS of the possibility of any such damages.

20.6 Relationship. Sponsor is an independent contractor with respect to Horne. This Agreement is not intended to create a partnership, joint venture, employment, or fiduciary relationship between the Parties or between any Party hereto and CDSS.

20.7 Notices. Notices under this Agreement must be (i) in writing; (ii) addressed to the receiving Party at the address described on the Summary Cover Sheet (unless notice of a different address is given); and (iii) (A) if personally delivered to the recipient, notice is effective upon delivery; (B) if sent by a nationally recognized overnight courier service, notice is effective on the first business day following its timely deposit with such courier service, delivery fees for next business day delivery prepaid; no signature affirming receipt by the receiving party is required, the internal records of the courier service shall be accepted as sufficient evidence of the date of the deposit of the notice with the courier service; or (C) if sent by certified U.S. mail, notice is effective three (3) days after deposit thereof in the U.S. mail, postage prepaid, certified, return receipt requested. Counsel for a Party may send notice on behalf of its client.

20.7.1 Notwithstanding the foregoing, the Parties may deliver any approval, disapproval, or request therefor via email. Such email notices and

deliveries shall be valid and binding on the Parties, subject to the following:

20.7.1.1 Such email must be properly addressed to the other Party's Designated Representatives. For purposes of this Agreement, "Designated Representative" means initially (i) for Horne, Geoffrey Ross, Geoffrey.Ross@horne.com, and Dania Khan, Dania.Khan@horne.com; (ii) for Sponsor, _____ and _____. A Party may change a Designated Representative only upon notice to the other Party pursuant to the requirements of Section 20.7(iii) (A), (B) or (C).

20.7.1.2 If the sender receives a bounceback, out-of-office or other automated response indicating non-receipt, the sender shall (i) re-attempt delivery until the other Party confirms receipt, or (ii) deliver the item in accordance with Section 20.7(iii) (A), (B) or (C).

20.8 Governing Law. The place of performance of this Agreement is California, and the laws of the State of California shall govern the validity, performance, enforcement, and interpretation of this Agreement. Any litigation or enforcement of an award must be brought in the appropriate state or federal court in the State of California, County of Sacramento. Each Party consents to personal and subject matter jurisdiction and venue in such courts and waives the right to change venue with respect to any such proceeding. The Parties acknowledge that all directions issued by the forum court, including injunction and other decrees, shall be binding and enforceable in all jurisdictions and countries.

20.9 Assignment. Sponsor shall not assign, delegate, or otherwise transfer this Agreement, or its duties, or obligations in connection therewith, in whole or in part, without the prior approval of Horne and CDSS. Horne's obligations under this Agreement shall be assignable to CDSS or CDSS's designee upon CDSS's request without Sponsor's consent. In the event that Horne assigns its obligations under this Agreement to CDSS, Horne shall make commercially reasonable efforts to transition any reasonably necessary documentation related to this Agreement to CDSS or its designee, at no cost to CDSS; provided, however, that Horne shall have no obligation to incur any liability, pay fees, charges, or reimbursement in connection with any wind-down or transition services.

20.10 Entire Agreement; Amendments. This Agreement constitutes the entire agreement of the Parties with respect to its subject matter. It supersedes all oral or written agreements or communications between the Parties. No understanding, agreement, modification, change order, or other matter affecting this Agreement shall be binding, unless in writing, signed by both Parties. No handwritten changes shall be effective unless initialed by each Party.

- 20.11 Independent Legal and Tax Advice. Horne and Sponsor, each, have reviewed and negotiated this Agreement using such independent legal and tax counsel as each has deemed appropriate. Sponsor further acknowledges that it has been afforded the opportunity to obtain legal and tax advice concerning its legal and financial duties and obligations, including its state and federal tax liabilities related to its receipt of Program Funds, and hereby confirms by the execution and delivery of this Agreement that it has either done so or waived its right to do so in connection with the entering into this Agreement. For the avoidance of doubt, Sponsor shall be solely responsible for its tax liabilities related to its receipt of Program Funds.
- 20.12 Exhibits. The Attachments, Schedules, and Addenda attached to this Agreement are a part of this Agreement and incorporated into this Agreement by reference.
- 20.13 Partial Invalidity. If any part of this Agreement is unenforceable, the remainder of this Agreement and, if applicable, the application of the affected provision to any other circumstance, shall be fully enforceable.
- 20.14 Captions. The headings contained herein are for convenience only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement.
- 20.15 Force Majeure. Neither Party shall be liable to the other for loss or damages due to failure or delay in rendering performance caused by circumstances beyond its reasonable control, if such failure could not have been overcome by the exercise of due diligence, due care, or foresight. Causes may include, but are not limited to, acts of God or a public enemy; wars; acts of terrorism; riots; fires; floods; epidemics; quarantine restrictions; labor disputes; strikes; defaults of subcontractors/vendors; failure/delays in transportation; unforeseen freight embargoes; unusually severe weather; or any law/order/regulation/request of a state or local government entity, the U.S. Government, or of any agency, court, commission, or other instrumentality of any such governments. Times of performance under this Agreement may be appropriately extended for excused delays if the Party whose performance is affected promptly notifies the other of the existence and nature of such delay.
- 20.16 Publicity. Without prior written approval of the other, neither Party shall use the other's name or make reference to the other Party or any of its employees in publications, news releases, advertising, speeches, technical papers, photographs, sales promotions, or for publicity purposes of any form related to this work or data developed hereunder, unless disclosure of such materials is required by legal, accounting, or regulatory requirements beyond the disclosing Party's reasonable control. Use of either Party's name may be made in internal documents, annual reports, and proposals. This Section shall survive expiration/termination of this Agreement. Notwithstanding the foregoing, the Sponsor agrees that the State may use and refer to the Sponsor and the Project in any publication, news release, advertising, speech, technical paper, or for any other purposes.

- 20.17 Notice of Litigation. Promptly, and in any event within one (1) business day after an officer or other authorized representative of Sponsor obtains knowledge thereof, Sponsor shall provide written notice to Horne of (i) any litigation or governmental proceeding pending against Sponsor which could materially adversely affect the business, operations, property, assets, condition (financial or otherwise) or prospects of Sponsor, and (ii) any other event which is likely to materially adversely affect the business, operations, property, assets, condition (financial or otherwise) or prospects of Sponsor.
- 20.18 Survival. Except as otherwise stated, sections that by their terms impose continuing obligations or establish continuing rights shall be deemed to survive the expiration or termination of this Agreement.
- 20.19 Successors. This Agreement shall be binding upon the Parties, their successors, and assigns.
- 20.20 Approvals. Whenever this Agreement calls for a Party's approval, approval shall mean prior written approval (including via email), not to be unreasonably conditioned, delayed, or withheld, unless sole discretion is expressly noted.
- 20.21 Counterparts; Electronic Signatures. The Parties may sign this Agreement in several counterparts, each of which constitutes an original, but all of which together constitute one instrument. Electronic signatures are valid and shall bind the Party delivering such signature.

SIGNATURES ON THE FOLLOWING PAGE

IN WITNESS THEREOF, the Parties hereto have executed this Agreement by their duly authorized respective officers as of the Effective Date.

HORNE LLP

SPONSOR:

Print or Type Name of Sponsor

By: _____
[NAME, TITLE]

By: _____
*Signature of Authorized Entity
Representative*

EXHIBIT I

Summary of inspection on (TGI) 1660 Third Street Lincoln, CA 9-20-2024

1. The entire site has improperly installed/missing weep screed for the stucco. This is confirmed per the 1988 Uniform building code with California amendments. Section 4706 (E). This deficiency is a direct cause for moisture being trapped inside of walls which leads to dry-rot, structural failure and mold issues.
CBC 2512.1
2. Several sewer cleanouts were observed around the perimeter that are not being properly protected from damage.
CPC 312.1
3. At several points there are PVC tie-ins at the hose-bib's that are unpermitted/non-compliant.
CPC 602.1, 602.2, 602.3
4. There are several machinal (a/c) units that were observed. We do not have record of permits for these units.
CMC 104.1
5. Several accessibility issues including parking, path of travel, entrances, exits and throughout the facility.
CBC-11B-202.3, 202.3.3, 202.4- These references are in relation to existing buildings and is not a complete list of accessibility issues at this site.
6. Rodent proofing around exterior- Several gaps in the exterior cladding observed.
CBC 2304.3.1.1
7. I observed areas where PVC piping was exposed and not protected from damage.
CPC 312.6, 312.8

Summary of inspection on (TGI) 1660 Third Street Lincoln, CA 9-20-2024

8. There are several areas where it appears the (flat) roof drain outlets are recessed into the stucco. There is visible wood exposed in these areas. These areas need to be repaired as soon as possible to avoid long term health and safety issues.

CPC 309.4

9. The grease interceptor requires vent protection. There is just an open pipe at ground level.

CPC 1014.1.2

10. No permit on record for the boiler system. The combustion air required for proper function is also in question.

CMC 104.1, 701.1.1

11. There is no permit on file for the operation of the boiler/pressure vessel

CMC 1013.2

12. There was obvious flooring newly installed. While this does not require a permit the property is/will be required to provide the identification and listing information for any and all floor finishes.

CBC 804.1, 804.3, 804.4

13. At each mechanical room/subpanel area. I observed breeches (unprotected holes in the required fire protected assemblies. This is a major safety concern that requires immediate attention. There was no ladder available onsite to view above the ceiling tiles. They will need a full observation from a licensed fire protection engineering firm for guidance.

CEBC 403.1 - IPMC 703.3 (2021 edition)

Summary of inspection on (TGI) 1660 Third Street Lincoln, CA 9-20-2024

14. Several fire rated doors (all observed) have hold open devices or obstructions-
This is a direct life safety violation that requires immediate attention.

CEBC 403.1

15. Some resident bathrooms are missing environmental fans. This needs to be addressed.

CGBSC 4.506.1

16. Several of the resident rooms appear to have partial walls/floor layout changes. I cannot find any record of permit or original construction documents that approve this. This unpermitted construction requires a permit.

CBC 105.1

17. I observed several different escutcheon-type spacers sporadically placed for the fire sprinkler system. This leads me to believe that unpermitted maintenance/repairs have occurred over the years. A full assessment of the fire sprinkler/alarm system is required.

CFC 901.4.3

18. There is no current elevator certificate of compliance.

CBC 3001.3

19. I observed many new fixtures including lights and toilets. The replacement of fixtures requires a permit.

CEBC Section 702

20. Several receptacles were observed with broken "ground" ports. This can cause a fire and is a serious safety concern.

CEC 90.7- CBC 116.1 – 604.3 (IPMC 2021 edition)

Summary of inspection on (TGI) 1660 Third Street Lincoln, CA 9-20-2024

21. There is a "Country kitchen" room that has an unpermitted and non-compliant residential kitchen with a working stove and ventless hood. This is not permitted. This is a major violation and need to be removed.

CBC116.1

This is by no means a complete list of items that need attention. There are several areas that could not be observed during this inspection. It is highly recommended and where noted, required that the building owner(s) consult with a registered design professional and a licensed contractor to remedy these construction deficiencies.

EXHIBIT J



LINCOLN FIRE DEPARTMENT

INSPECTION REPORT

9.23.24

Location: The Gathering Inn (TGI), 1660 Third Street, Lincoln, CA 95648

Date: September 20, 2024

Inspectors: Battalion Chief Dworak, Deputy Chief Mejia

Access

- **East Driveway Obstruction:** Temporary barrier obstructing access. (CFC 503.4)
- **Signage and Striping:** Provide "No Parking Fire Lane" signage and striping along the fire access lane. (CFC 503.3)
- **Tree Maintenance:** Cut and remove dead or dying portions of trees adjacent to or overhanging any building. (CFC 304)

Minimum Construction Requirements

- **Construction Documentation:** Provide evidence of the building's construction type and the maximum allowable area. (CBC 435, CBC 504, CBC 506)

Fire Protection Systems

- **Sprinkler & Alarm Records:** Provide current copies of fire sprinkler and fire alarm testing records, including 5-year and annual Fire Sprinkler Certifications. Provide a copy of the fire alarm monitoring contract. (CFC 901.6)
- **Hydrant Condition:** Fire hydrant on the northwest corner is missing caps.
- **Sprinkler Condition:** Exterior fire sprinklers appear corroded, and numerous sprinklers lack proper escutcheons and/or are corroded.
- **Carbon Monoxide Alarms:** Install working carbon monoxide alarms in all required areas. (CFC & CBC 915)

Corridor Construction

- **Fire-Resistant Corridors:** Corridors serving six or more occupants must be 1-hour fire-resistive with door openings protected by 20-minute fire-rated assemblies. (CBC Table 1020.1)
- **Door Closures:** Doors must be self-closing or automatically closing by activation of a smoke detector, except in sprinklered buildings where client room corridor doors do not require self-closers. (CBC 435)
- **Fire Assembly Maintenance:** Maintain all portions of the 1-hour fire assemblies. There are numerous penetrations and openings in the 1-hour construction areas, especially in mechanical rooms.



Delayed Egress

- **Compliance with CBC Requirements:** Delayed egress is allowed if it conforms to CBC/CFC 1010.2.13.1.
- **Locking Mechanism:** Delayed egress doors are locked with sliding bolt locks, which is non-compliant.
- **Exit Door Coverage:** Exit doors must not be covered with decorative materials, including blinds.
- **System Restoration:** The delayed egress system is compromised and must be returned to normal function.

Exit Signs

- **Visibility and Illumination:** Exit signs and exit access doors must be marked and visible from any direction of egress travel. (CBC 1013.1)
- **Illumination Type:** Exit signs must be either internally or externally illuminated, except for tactile exit signs. (CBC 1013.3)
- **Floor Level Exit Signs:** Required in certain areas, except where smoke barriers are provided as per CBC 407.5. (CBC 1013.7)
- **Tactile Exit Signs:** Required at grade level exit doors, stairways, and other specified locations. (CBC 1013.1, CBC 1013.7, CBC 11A, CBC 11B)

Emergency Lighting

- **Illumination Requirements:** Emergency lighting must be provided for rooms that serve an occupied space, with the exception of client sleeping rooms. (CBC 1008.2(4))

Fire Extinguishers

- **Proper Mounting:** Ensure fire extinguishers are mounted according to code. (CFC 906)

Storage

- **Orderly Storage:** Storage must be maintained in an orderly manner. (CFC 315)
- **Combustible Materials:** Combustible materials must not be stored in mechanical rooms. (CFC 315)

Miscellaneous Issues

- **Gas Shut-off Valve:** The gas shut-off valve is obstructed and located behind a locked fence.
- **Oxygen Storage:** Oxygen equipment must be stored in an approved manner and not in the employee break room.
- **Range and Hood Documentation:** Provide documentation showing that the range and hood were installed with proper permits (County kitchen area, 2nd floor).
- **Window Locks:** Numerous bedrooms have window locks that prevent emergency exit.



Conclusion

Based on the findings from the inspection conducted on September 20, 2024, at The Gathering Inn (TGI), 1660 Third Street, Lincoln, CA, the facility does not meet the necessary fire and safety standards as outlined in the California Fire Code. Until all identified issues, including the compromised fire protection systems, delayed egress systems, and other safety concerns, are corrected, the building is not deemed satisfactory for occupancy.

Per **California Fire Code (CFC) 110.1**, buildings must be maintained in a manner that provides a reasonable level of safety from fire and other hazards for occupants. The current conditions pose a risk to life safety, and occupancy will not be permitted until these violations are fully addressed and verified by the fire department.

PROOF OF SERVICE

I, Monica Quinones, declare:

I am a citizen of the United States and employed in San Bernardino County, California. I am over the age of eighteen years and not a party to the within-entitled action. My business address is 2855 E. Guasti Road, Suite 400, Ontario, California 91761. On November 22, 2024, I served a copy of the within document(s):

FIRST AMENDED COMPLAINT/PETITION

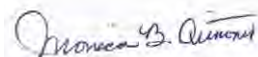
- ☐ by transmitting via facsimile the document(s) listed above to the fax number(s) set forth below on this date before 5:00 p.m.
- ☐ by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, the United States mail at Ontario, California addressed as set forth below.
- ☐ by placing the document(s) listed above in a sealed _____ envelope and affixing a pre-paid air bill, and causing the envelope to be delivered to a _____ agent for delivery.
- ☒ by personally delivering the document(s) listed above to the person(s) at the address(es) set forth below.
- ☒ by transmitting via e-mail or electronic transmission the document(s) listed above to the person(s) at the e-mail address(es) set forth below.

Please see attached Service List.

I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on November 22, 2024, 2024, at Ontario, California.



Monica Quinones

SERVICE LIST

The Gathering Inn **Via Hand Delivery**
c/o Agent for Service - Keith E. Diederich
4020 Sierra College Boulevard, Suite 100
Rocklin, CA 95677

HORNE LLP, a Delaware limited partnership **Via Hand Delivery**
Capitol Corporate Services, Inc.
Agent for Service of Process
455 Capitol Mall Suite 217
Sacramento, CA 95814

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