

**MEMORANDUM OF UNDERSTANDING FOR THE CENTRAL
ORANGE COUNTY SERVICE PLANNING AREA CITIES OF
GARDEN GROVE, FOUNTAIN VALLEY AND WESTMINSTER**

This **MEMORANDUM OF UNDERSTANDING** (“Agreement”) is dated as of October __, 2022 (“Effective Date”), and entered into by and among the Cities of Garden Grove, Fountain Valley, and Westminster, each of which is a municipal corporation organized and existing under California law (cumulatively the “City Parties” or “Parties,” and at times individually a “City Party”), with reference to and in consideration of the following:

WHEREAS, like many other regions in California, the County of Orange (“Orange”) has seen a rapid and troubling growth in the homeless population over the past several years, a condition that has been difficult to address given the high cost of housing and property in the area, and the shortage of emergency, transitional, and affordable housing available in the County to serve this population;

WHEREAS, as a result, local jurisdictions throughout the County have experienced increased incidents of unlawful camping and loitering activities in and upon portions of the public rights-of-way, parks, and other public facilities (“Public Property”) in violation of local anti-camping, anti-loitering, and/or park closure ordinances and regulations (“Anti-Camping Ordinances”);

WHEREAS, the use of Public Property in this manner creates health and safety risks to homeless persons due to traffic hazards, exposure to weather, inadequate sanitation, and other conditions detrimental to their wellbeing, and negatively impacts the health, safety, and general welfare of the community by degrading the environmental and physical condition of such Public Property, increasing risks associated the spread of illnesses, and frustrating the public purpose for which such Public Property is dedicated;

WHEREAS, on a broader scale, the County is a complex jurisdiction of interconnected systems, many of which have been impacted by the homeless crisis in the region, including but not limited to health care, criminal justice, child welfare, public transportation, economic and social, and legislative and political systems;

WHEREAS, in efforts to address this crisis, the County established an integrated Continuum of Care (“CoC”) to guide homeless individuals and families through a comprehensive array of services and housing designed to prevent and end homelessness;

WHEREAS, to better coordinate access points, assessments, resources, and programs serving persons experiencing homelessness, the CoC divided the County into three (3) geographic “Service Planning Areas” (or “SPAs”), with the “Central Service Planning Area” (“Central SPA”) including the cities of Costa Mesa, Garden Grove, Fountain Valley, Santa Ana, Seal Beach, Westminster, Newport Beach, Huntington Beach, and Tustin;

WHEREAS, in furtherance of the health, safety, and well-being of all their residents, to return and preserve Public Property for its intended purpose, the City Parties, located within the Central SPA, have worked together cooperatively and in good-faith towards developing a regional solution to the current homeless crisis within their respective jurisdictions;

WHEREAS, as a result of such efforts, the City Parties have been awarded certain grant funds, and certain additional funds pledged to be made available through the County of Orange, towards the acquisition, construction, and operation of a new navigation center facility to be located within the boundaries of the City of Garden Grove, and intended to exclusively serve the unsheltered homeless population currently residing within the jurisdiction of the City Parties;

WHEREAS, the City Parties desire to formalize the terms and conditions by which the above-referenced funds are aggregated, and combined with additional funds provided by each City Party from alternative sources, to finance the acquisition, construction, and operation of the new navigation center facility;

WHEREAS, the City Parties additionally desire to memorialize the terms and conditions by which: the new navigation center facility will be operated; the City Parties will equitably share access to the capacity provided by such new navigation center facility, as well as the capacity provided by existing shelter facilities in located within the boundaries of the City Parties; the City Parties will equitably share the costs and responsibilities associated with the acquisition, construction, operation, and maintenance of the new navigation center facility; and other related matters in furtherance of their common purpose;

WHEREAS, in addition to addressing the needs of homeless persons through the provision of overnight shelter, the City Parties covenant to work together, in furtherance of the CoC, towards developing and increasing the Central SPA's inventory of long-term affordable and supportive housing units, such that homeless persons receiving services under this Agreement may transition from temporary or emergency shelter facilities, and into long-term and stable housing solutions; and

WHEREAS, each Party has caused this Agreement to be duly approved by its respective governing body, and by so doing, has found and determined that this Agreement furthers the health, safety, and general welfare of their respective residents.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. PURPOSE

This Agreement establishes a multi-jurisdictional memorandum of understanding for establishing, constructing, developing, maintaining, providing, operating, and facilitating the provision of overnight shelter in designated public facilities (termed "Navigation Center" below), and the

provision of certain services at such facility, to homeless and chronically homeless adults, children, and families located within the Central Service Planning Area of Orange County, California. This Agreement defines the respective rights and responsibilities of the Parties with respect to the financing, implementing, operating, and the provision of Services, as defined below, at the Navigation Center.

2. DEFINITIONS

In addition to the other terms and phrases defined elsewhere in this Agreement, the following key capitalized terms and phrases used throughout this Agreement shall have the meaning assigned in this Section.

2.1. “Annual Term” shall mean the fiscal year beginning July 1 and ending on July 30 of each year during the Term of this Agreement.

2.2. “City Program Costs” shall mean and refer to that portion of the Program Costs that are not funded by an alternative funding source described in Exhibit “A”, and that will be paid by the City Parties pursuant to the Cost Allocation Plan, as such City Program Costs are further detailed in Exhibit “C”.

2.3. “Cost Allocation Plan” shall mean and refer to the formula utilized to determine the Party Shares of the City Program Costs, as such formula is detailed in Exhibit “D”.

2.4. “Center Operator” shall mean and refer to the third-party contracted by the Host City to provide comprehensive and “turnkey” day-to-day management and operation of the Navigation Center.

2.5. “FF&E” shall have the mean and refer to furniture, fixtures and equipment including, beds, desks, mattresses, linens, indoor and outdoor storage equipment, office equipment, tables, chairs, kitchen supplies, and the like.

2.6. “Guests” shall mean and refer to homeless and chronically homeless adults, children, and families located within the Program Area.

2.7. “Guest Capacity” shall mean and refer to the number of beds provided in the Navigation Center, as detailed in Exhibit “B” [or section 4.2, see comment].

2.8. “Host City” shall mean and refer to the City of Garden Grove.

2.9. “Navigation Center” shall mean and refer to the new public facilities to be acquired, constructed, and operated in the Host City, and the Guest Capacity available at that location set forth in Exhibit “B” under this Agreement.

2.10. “Operating Agreement” shall mean and refer to the contract between the Host City and Center Operator for the operation of the Navigation Center.

2.11. “Operating Plan” shall mean and refer to the plan approved by the Host City, Party Representatives, and a Center Operator, that details the terms, conditions, and standards by which Services are made available to Guests at the Navigation Center.

2.12. “Participating City” shall mean and refer to the City Parties which are not a Host City.

2.13. “Party Representative” shall mean and refer to the highest-ranking appointed executive official for each of the Parties, or his/or her duly authorized designee.

2.14. “Party Share” shall mean and refer to that portion of the City Program Costs allocated to each City Party in accordance with the Cost Allocation Plan, as detailed in Exhibit D(1) and (D)(2).

2.15. “Program” shall mean and refer to the Parties’ cooperative financing and planning for the acquisition, construction, operation and the provision of Services at the Navigation Center, and the cooperative sharing among the Parties of Guest Capacity at the Navigation Center.

2.16. “Program Area” shall mean and refer to the area within the city limits of the City Parties.

2.17. “Program Costs” shall mean and refer to the costs incurred by the Parties in the acquisition of the Navigation Center site and the completion of modifications or capital improvements thereto, and annually to operate the Navigation Center during the Term (as defined below).

2.18. “Program Funds” shall mean and refer to all funds paid by or to the Parties under this Agreement, including but not limited to grant funds or County funds received by the Parties and contributed towards the Program.

2.19. “Program Property” shall mean and refer to all real and personal property purchased or acquired with Program Funds.

2.20. “Program Treasurer” shall mean and refer to the Party selected by the other Parties to serve as the treasurer, trustee, and manager of all Program Funds.

2.21. “Services” shall mean and refer to the provision of overnight shelter and other sanitation, nutritional, health, educational, supportive, and/or basic human services at the Navigation Center, as described in an Operating Plan.

3. TERM

3.1. General Term. This Agreement shall be effective as of the date which the last of the Parties has executed the same, which shall be inserted as the Effective Date in the first paragraph above, and shall remain in full force and effect during the construction period of a New Navigation Center and a full ten (10) year operation period or/ until October 31, 2033, at which

point this Agreement shall automatically renew and continue in effect for two (2) consecutive five-year terms, the last of which shall expire on the date that is ten (10) years from October 31, 2033 (each an “Renewal Term,” and cumulatively the “Term”). Options to extend shall be implemented at least 90 days prior to the then-scheduled expiration date by mutual agreement of the Parties in writing, which extension may be approved by the authority of the City Manager of each Party; provided there is no material change of terms for such extended Term. This Agreement may be earlier terminated in accordance with the provisions of this Agreement.

3.2. Termination by City Parties.

a) Notice and Effective Date. Notwithstanding Section 3.1, any City Party, other than a Host City, may terminate its participation in this Agreement by providing one year’s written notice to all other Parties on or before the last day of any Annual Term (June 30), and following timely payment of the “Termination Fee.” This Agreement shall thereafter terminate as to the Party providing such notice at 11:59 p.m. on the last day of the immediately ensuing Annual Term.

b) Termination Fee as Liquidated Damages. The Termination Fee shall be equal to five times (5x) the most recent Party Share paid by the terminating City Party, plus an additional five percent (5%) of the resulting factor to account for increases in the consumer price index. The Termination Fee shall be paid by the terminating City Party to the Program Treasurer not later than six (6) months before the effective date of termination. Failure to timely remit the Termination Fee shall render a City Party’s notice of termination ineffective. The Parties acknowledge and agree that the Termination Fee shall constitute liquidated damages and not penalties, and are in addition to all other rights of the Parties, including the right to call a default of this Agreement. The Parties further acknowledge that: (i) the amount of loss, costs, or damages likely to be incurred by the Parties resulting from a City Party terminating this Agreement before the end of the Term is incapable or is difficult to precisely estimate; (ii) the Termination Fee to be paid by any City Party bears a reasonable relationship to, and is not plainly or grossly disproportionate to, the probable losses or costs likely to be incurred by the other Parties by virtue of a City Party’s termination of this Agreement before the end of the Term; (iii) one of the reasons for the Parties reaching an agreement as to such amounts is the uncertainty regarding the question of actual losses, costs, or damages to be incurred by the Parties in such event; and (iv) the Parties are sophisticated business parties, have been represented by sophisticated and able legal counsel, and have negotiated this Agreement at arm's length.

c) Continuing Enforceability. Following the effective date of termination, the terminating City Party shall have no further obligations or rights with respect to this Agreement, except as expressly provided otherwise herein. Should any such terminating City Party desire to renew its participation in this Agreement in subsequent Annual Terms, such Party shall be subject to Section 3.6.

3.3. Termination by Host City

a) Notice and Effective Date. Notwithstanding Sections 3.1 and 3.2, the Host City may terminate their participation by providing six (6) months written notice to all other Parties

as follows: written notice of termination shall be provided on or before January 1 of each Annual Term, and this Agreement shall thereafter terminate as to the Host City providing such notice at 11:59 p.m. on the last day of the same Annual Term; for example, notice of termination provided before January 1, 2020, shall be effective as of June 30, 2020.

b) Continued Operation of Navigation Center. As a condition precedent to the effectiveness of a Host City's termination of this Agreement, such that a Navigation Center will no longer be operated within its jurisdiction, the Host City shall comply with all terms, conditions, and restrictions of any grant funding, County funding and any other grants or similar funding provided to the Program and/or Host City relative to the Navigation Center, and any Program Property in the possession and control of the Host City that was not acquired with such grant funds, and thus is not bound by associated grant restrictions, shall be managed and disposed of as directed by the Party Representatives. In the event of such Host Party's termination, the City Parties shall work together cooperatively and in good faith to satisfy the shelter needs of the Program Area following the Host City's termination. No Party shall be compelled under this Agreement to remain or serve as a Host City.

c) Continuing Enforceability. The Host City's notice of termination shall indicate whether the Host City is entirely terminating its participation in this Agreement, or whether it will remain a City Party. If the first, the terminating Host City shall be subject to Section 3.2(c). If the Host City is to remain a City Party, following the effective date of termination the Host City will be treated in all respects as a City Party under this Agreement, and subject to any adjustment to its Party Share and Cost Allocation Plan.

4. NAVIGATION CENTER

4.1 City Navigation Center. The Parties desire to work cooperatively and combine their respective resources for purposes of providing and coordinating the provision of Services to Guests at Navigation Center located in the Program Area, and to acquire, construct, develop, and operate a Navigation Center.

4.2 Navigation Center and Guest Capacity. For purposes of this Agreement, the Navigation Center, and the anticipated Guest Capacity, are set forth in Exhibit "B" to this Agreement.

4.3 Change in Navigation Center. The Parties may, from time to time, close a Navigation Center, construct an additional or replacement Navigation Center, or amend the Guest Capacity of any Navigation Center, and/or a Host City may terminate its participation in this Agreement. In such case, the Parties shall amend this Agreement to adjust the Cost Allocation Plan and Party Shares as appropriate.

4.4 Funding. Funding for the City Navigation Center subject to this Agreement shall be in accordance with Section 7.5(b)(1).

5. CONSTRUCTION AND MAINTENANCE OF NEW CENTER

5.1. Ownership. The Navigation Center shall be owned by the applicable Host City, together with any Program Property in the custody or possession of a Host City; provided the Navigation Center and Program Property shall be utilized by Host Cities exclusively for purposes consistent with this Agreement.

5.2. Design. The Host City shall have final authority over the design and construction of Navigation Center located in its jurisdiction, in accordance with each Host City's ownership rights and plenary land use authority. Prior to a Host City's commencement of construction of, or significant modifications or improvements to, a Navigation Center, the Party Representatives will be provided a reasonable opportunity to review and provide input on the proposed design and amenities of the Navigation Center, and the Host Cities will, in good faith, consider the input of the Party Representatives in finalizing the same.

5.3. Host City as "Lead Agency." The Host City for the Navigation Center shall be the "lead agency" for purposes of improvements or modifications thereto, as well for the environmental review, acquisition, development, and construction of the Navigation Center, the installation of FF&E, and operation, cleaning, maintenance, or repair of the Navigation Center.

a) Service Contracts. As approved by the Party Representatives, the Host City will be the "contracting party" to any written agreements with qualified professional(s), service providers, and/or licensed contractor(s) ("Contractor") necessary for the development or operation of Navigation Center consistent with this Agreement.

b) Procurement Practices. A Party's purchase or acquisition of Program Property, or a Host City's retention of any Contractor, shall be governed by the procedural formalities and requirements of the Host City. The Parties agree that, to the extent practicable and not otherwise required by applicable law, Contractors should be selected after a competitive process that considers both price and capacity or qualifications to perform.

5.4. Minimum Housing Standards. The Navigation Center should comply with the building standards for emergency housing established by the California Department of Housing and Community Development, as the same may be amended from time to time, or if more stringent, and at the discretion of the Host City, the applicable building standards of the Host City ("Building Standards").

5.5. Minimum Facilities and Amenities. The Navigation Center should be improved and equipped with the facilities and amenities commonly associated with public facilities of similar type and purpose as approved by the Party Representatives, in sufficient quantities necessary to serve the Guest Capacity for each Navigation Center.

5.6. Maintenance and Repairs. Host Cities will cause the Navigation Center to be regularly cleaned, maintained, and repaired in accordance with generally accepted standards, and as necessary to ensure compliance with the Building Standards. The Operating Agreements for the Navigation Center shall include terms and conditions requiring the Center Operators to comply with this Section.

5.7. Security. Each Host City will ensure that adequate security measures and policies are incorporated into the Navigation Center's construction and operation, including but not limited to security plans, secured entrances, on-site security personnel, video recording equipment, adequate lighting, law enforcement patrols, and neighborhood safety controls. Detailed security procedures and protocols will be included in the Operating Plan developed by the Host City, Center Operator, and the Party Representatives, as described further below.

6. USE AND OPERATION OF NAVIGATION CENTER

6.1. Exclusive Purpose of Navigation Center. A Navigation Center subject to this Agreement will be used by the Parties exclusively for the purpose of providing Services to Guests located within the Program Area. The Parties agree to work cooperatively and in good faith, and to take such reasonable action(s) or precaution(s) as deemed necessary, to effectuate the purpose of this Section.

6.2. Use and Access of Navigation Center. In consideration for the City Parties' payment of their respective Party Share, each City Party shall have the right to utilize an approximately equivalent percentage of its Party Share of total Guest Capacity in the Navigation Center. The Parties shall have access to and utilize the monitoring and logging system developed and operated by the County to track the real-time availability of Guest Capacity in the Navigation Center, and to make arrangements and reservations for the transportation of Guests thereto and therefrom. Parties utilizing Guest Capacity in Navigation Center shall comply with the applicable Operating Plan.

6.3. Length of Stay and Transitional Housing. The Host City shall have the authority to establish reasonable restrictions on the maximum length of stay for any individual Guest in a Navigation Center, which restriction shall be set forth in the Operations Plan. Any restrictions adopted pursuant to this Section by a Host City shall be consistent with those generally imposed by facilities of similar type, nature and purpose. Upon expiration of any length of stay imposed by a Host City, the Party from whose jurisdiction the Guest originated from shall provide transportation and otherwise facilitate the return of the Guest to said jurisdiction, subject to restrictions imposed by applicable laws. Consistent with the purposes of this MOU to provide a long-term solution to the unsheltered homeless population within the Program Area, the City Parties agree to work cooperatively and in good-faith towards facilitating the development of supportive short-term and permanent affordable housing units within their respective jurisdictions, such that Guests may be transitioned from the temporary shelter provided by Navigation Center to long-term housing.

6.4. Annual Review of Party Usage. The Guest Capacity utilized by each Party shall be reviewed not less than once per year in conjunction with the Annual Meeting and in light of the Annual Report and Annual Audit described below, and the results of this review shall be used for making any necessary adjustments to the Party Shares or the Cost Allocation Plan to ensure the Parties' financial obligations hereunder accurately reflect the benefit derived; as well as to make any necessary revisions to the Operating Plans to further the goals and objectives of this Agreement. Notwithstanding the foregoing, during the first two (2) Annual Terms, the Party Representatives shall meet not less than once per quarter to review the matters described in this

Section; provided that such a review shall be conducted at any time during the Term upon a request by two-thirds (2/3) of the Party Representatives.

6.5. Center Operators. The Host City will enter into an Operating Agreement with a Center Operator for comprehensive and “turnkey” day-to-day management and operation of the Navigation Center located within its jurisdiction. Except as otherwise agreed to by the Parties, Center Operators shall be a non-profit organization with demonstrated experience operating similar facilities and providing similar services as contemplated in this Agreement, and shall be selected by the Host City following a competitive process, with the selection based on cost considerations, capacity to perform to the Services, qualifications and expertise, and such other matters deemed relevant by a Host City or the Party Representatives. A Host City’s selection of a Center Operator shall be subject to approval by the Party Representatives.

6.6. Operating Plan. The Host City shall develop an Operating Plan which shall govern the day-to-day management and operation of its Navigation Center, and shall be incorporated into the Operating Agreement for the Navigation Center. The Operating Plan must be approved by the Host City, the Center Operator, and the Party Representatives, and will address such matters as are detailed in Exhibit “F”, in addition to such other terms and conditions that may be directed by the Host City and the Party Representatives.

6.7. Operating Agreement. Prior to a Host City’s commencement of a solicitation for a Center Operator, the Party Representatives shall work cooperatively and in good faith to develop minimum experience and qualifications, as well as general standards, terms, and conditions to be included in an Operating Agreement necessary and appropriate to protect the Parties’ respective interests. In addition to any other terms or conditions that may be directed by a Host City or Party Representative, each Operating Agreement will, to the maximum extent permitted by law, require the Center Operator to defend, indemnify, and hold the Parties harmless from and against any and all claims or damage to person or property relating to or arising from the Center Operator’s management and operation of a Navigation Center. The terms and conditions of Operating Agreements shall be subject to approval by the Party Representatives.

6.8. Transportation Plan. Unless the Parties expressly agree on an alternative plan for the provision of transportation of Guests to and from the Navigation Center, Guests referred by each City Party shall separately provide for all transportation for Navigation Center Guests referred by such City Party for the duration of their stay at the Navigation Center and for their departure from the Navigation Center. The Parties shall each be responsible for maintaining contact with the Navigation Center Operator to ensure appropriate transportation for Guests originally referred from each City Party is provided in a timely manner to assist in working toward satisfaction of their Operating Plan.

6.9. Low-Barrier Access. The Navigation Center shall be considered “low barrier” facilities for purposes of Guest access, and any entry screening, barriers, or conditions to access shall be defined in the Operating Plan, as such may be approved by the Party Representatives and reasonably necessary to accomplish the purposes of this Agreement, or as may otherwise be ordered by a court of law, or required by a settlement agreement to which the Host City is a party. Except as required to comply with applicable law or court order, the Navigation Center shall not

be “no-barrier” facilities, and shall have, at a minimum, access or entry conditions for Guests that are substantially similar to those utilized by other navigation centers in Orange County, and screening for felony warrants or registration as a sex offender may be included in the Operating Plan.

6.10. Community Coordination and Communication. The Parties are committed to communication with neighbors on an ongoing basis. During the Term, the Parties and the Center Operator will work together cooperatively and in good faith to facilitate community forums, generate educational or outreach materials, and engage in similar activities to promote or further the purposes of the Program. The goal of such efforts will be to provide members of the community with opportunities to ask questions and receive information about the Navigation Center and the Program. Any printed or published materials relating to the Program shall be subject to approval by the Party Representatives.

a) Complaints / Inquiries. Any community complaints and/or inquiries about the Program should be recorded and forwarded to the appropriate Party, or its designated point of contact, for prompt investigation. The Party Representatives and Center Operator shall work together to facilitate appropriate responses to customer service requests and prompt resolution of community complaints.

b) Visitors / Tours. Visits by members of the community and tours of the Navigation Center should be made available by the Host City, and will be coordinated by and through the Host City and the Center Operator.

c) Retention of Professional Service Providers. The Parties may retain or appoint professional service providers as necessary to provide public relations, legal, accounting, or other specialized support services for the Program. The Parties will designate the Host City to serve as the contracting agency for any such purposes, and the need for and selection of any such professional service providers will be subject to approval by the Party Representatives. Costs and expenses incurred in the retention of professional services providers shall be a Program Cost.

d) Coordination of Government Agencies. The Program will be operated for the public good, and successful implementation will require the partnership of various stakeholders including the Parties, the Center Operator, local school districts, and other local political subdivisions and community organizations. The Parties are, and the Center Operator shall be, committed to working cooperatively with numerous stakeholders to serve Guests in the Program Area. The Parties and the Center Operator will communicate and work collaboratively with local police, fire, and public safety departments through all stages of Program implementation, including but not limited to the design of Navigation Center, and the development and implementation of the Operating Plan and Operating Agreement.

6.11. Annual Report. At least once per year, to be completed contemporaneously with the Annual Audit, the Parties shall cause a third-party to review and audit the day-to-day operational affairs of the Navigation Center, and prepare an Annual Report to be presented to the Party Representatives. The Annual Report shall include such information as may be directed by the Party Representatives, but should at a minimum address such issues as: the sufficiency of the

Guest Capacity for the Program Area; each Party's usage of Guest Capacity over the past year; each Party's anticipated Guest Capacity needs for the ensuing year; funding needs and opportunities; anticipated capital improvement or operational expenses for the Program; the extent to which the Program is achieving the purposes of this Agreement; and a performance review of the Navigation Center, Center Operators, and Operating Plans. The Parties shall designate the Program Treasurer to serve as the contracting agent for such purposes, and the selection of a third-party to prepare the Annual Report shall be subject to approval of the Party Representatives. Costs and expenses incurred in the retention of professional services providers shall be a Program Cost.

7. FINANCIAL PROVISIONS

7.1. Program Treasurer. The Parties shall select a Party to serve as the Program Treasurer.

a) Designation. The identity of the Program Treasurer shall be memorialized in writing, and the Party Representatives may alter the identity of the Program Treasurer at any time, and the Program Treasurer may resign at any time, both without penalty, cause, or justification; provided that as much advance notice as possible shall be afforded in the case of Program Treasurer resignation. Subject to the foregoing and following completion of construction of the New Navigation Center by the Host City, the Parties's designation of a the Program Treasurer shall serve an initial two (2) years for program operation, or such term that mutually agreed by the Party Representatives. Thereafter, a rotation of the next Participating City to serve as Program Treasurer shall be selected at a scheduled meeting of Annual Review of Party Usage described in Section 6.4.

b) Costs. The Program Treasurer shall be entitled to be recover the costs associated with serving in such capacity under this Agreement. In 2022, this amount is estimated to be \$20,000 per Annual Term or up to 250 hours per Annual Term.

7.2. Program Accounts. The Program Treasurer shall establish and maintain the Program Accounts set forth in Exhibit "G", or such other or different accounts as may be directed by the Party Representatives from time to time, with a banking institution approved by the Party Representatives, into which the Program Treasurer shall deposit all Program Funds. The Program Funds deposited into each Program Account will be used for the specific purposes of such account.

a) The Parties Representatives have collectively pre-approved US Bank as the banking institution for the Program Treasurer to establish initial Program Accounts.

b) Upon execution of this Agreement but no later than October 31, 2022, the Parties Representatives shall deposit the initial Program Funds with to complete scope of work associated with Due Diligence, Administration and Acquisition and further described in Exhibit "C".

7.3. No Comingling of Funds. Program Funds provided by the Parties for specific purposes under this Agreement shall be deposited into the designated Program Account, and shall not be comingled with funds provided for any other purpose, nor used for any purpose other than the specific purpose so designated, absent the approval of Party Representatives.

7.4. Permissible Use of Funds. Each Party represents and warrants to the other Parties that the funding source for the Party Shares paid under this Agreement may be used for the purposes described herein, and their expenditure was duly authorized by the governing board of the Party. Any restriction or limitation on the use of funds contributed by a Party under this Agreement shall be so designated and disclosed by the Party making the payment and, should such restrictions or limitations frustrate or hinder the purpose or administration of this Agreement, the Parties may require the Party Share be paid from an alternative funding source; provided that the Parties shall work together cooperatively and in good faith to attribute restricted funds provided by the Parties towards authorized purposes that further the Program before requesting an alternative funding source.

7.5. Description of Party Shares; Financial Contributions by the Parties.

a) Anticipated Program Costs. As of the Effective Date, the Parties agree that Exhibit “C” represents a reasonable estimate of Program Costs anticipated to be incurred by the Parties in the acquisition of the Navigation Center site and the completion of modifications or capital improvements thereto (Exhibit C(1)), and annually to operate the Navigation Center during the Term (Exhibit C(2)). The Parties hereby approve of such Program Costs as the Program Budget, which will govern the Program Treasurer’s allocation of Program Funds to the Parties. At each Annual Meeting, a new Program Budget will be approved by the Party Representatives for the immediately ensuing Annual Term, and any such Program Budget may thereafter be modified, amended, or superseded by the Party Representatives.

b) Funding Sources and Parties’ Share of Program Costs

1. Funding Sources and Party Shares. As set forth in Exhibit D(1) and (D)(2), the Program Costs are anticipated to be paid for from a combination of funding sources: (1) Party Shares; (2) Permanent Local Housing Allocation (PLHA) funds; (3) funds contributed by the County; (4) Housing Successor and/or Housing Authority; and (5) future Homeless Emergency Aid Program (HEAP) funds; and, other qualified grant sources. The portion of Program Costs to be paid from Party Shares are the City Program Costs, and each Party Share of such City Program Costs is detailed in Exhibit D(1) and D(2). Should any of the alternative funding sources fail, in whole or in part, then the unfunded portion of Program Costs shall be deemed City Program Costs, to be paid by the City Parties in accordance with the Cost Allocation Plan.

2. Basis for Allocation; Cost Allocation Plan. The Parties agree that each Party Share is intended to, and does, fairly represent the privileges, benefits, and burdens flowing to and imposed upon each such Party, and its respective community, in that each Party Share represents a portion of the City Program Costs that is substantially equal to each City Party’s anticipated use of the aggregate Guest Capacity of the Navigation Center, and associated burdens of the Program carried by Host Cities. The Parties agree that each Party Share is consistent with the Cost Allocation Plan under Option 3 set forth in Exhibit “E” and that the Cost Allocation Plan accurately reflects the burdens and benefits of the Parties under this Agreement.

3. Annual Meeting. No later than ninety (90) days before the commencement of each

Annual Term, the Parties shall review the results of the previous year's Annual Audit, together with the Annual Report, existing Cost Allocation Plan, and Program Costs anticipated to be incurred in the current and future Annual Terms, and shall, cooperatively and in good faith: negotiate and reach a mutual agreement as to any adjustments or revisions to the Cost Allocation Plan necessary to finance and operate the Program and the Navigation Center, and to improve, develop or repair the Navigation Center; ensure that each Party Share fairly reflects the benefits and obligations to such Party under this Agreement, consistent with the considerations included in the Cost Allocation Plan; and to adopt and approve a new Program Budget for the immediately ensuing Annual Term.

4. Notice of Party Shares. Not later than sixty (60) days prior to the commencement of each Annual Term, the Parties shall finalize the Party Shares for the ensuing Annual Term based on the Cost Allocation Plan, and notice of each Party's Share shall be provided by the Program Treasurer not later than thirty (30) days immediately preceding commencement of the applicable Annual Term.

5. Timely Payment. Each Party shall pay the Party Share in consideration for its continuing right to use and access the Navigation Center. Each Party's annual obligation to remit payment of the Party Share is contingent on the Parties making the Navigation Center available to such Party for the applicable Annual Term. Each Party shall remit payment of its Party Share on or before the beginning of each Annual Term, and set forth in the notice by the Program Treasurer. Late payments shall accrue interest at the maximum interest rate permitted by law applicable to municipal corporations.

6. Funding Shortages. Should the Program experience a shortfall in funding during any Annual Term, the Program Treasurer, with the approval of Party Representatives, shall provide written notice to the Parties of the shortage, and the City Parties shall remit payment of required amounts within thirty (30) days' receipt of the same, with the amount of each City Party's payment to be based on the Cost Allocation Plan.

7. Reconciliation. If, during any Annual Meeting, the Party Representatives determine that past payments made by any Party were either in excess or less than the amount fairly attributable to that Party, that Party's Share shall be adjusted in future Annual Terms.

8. Public Benefit and Purpose. Each Party acknowledges that establishment and operation of the Program, including but not limited to development and operation of the Navigation Center, is a substantial benefit to each such Party, and the residents, business, and communities residing within their respective jurisdictional boundaries. All Parties expressly declare that this Agreement, and all expenditures of public funds hereunder for the purposes described herein, furthers legitimate public purposes of combating and remediating incidents of homelessness in their communities.

9. No Repudiation of Party Share. In the event any Party refuses to receive or take advantage of the Program benefits, or access or utilize the Navigation Center, despite the opportunity to do so as a Party to this Agreement, or in the case of a default or failure to pay its Party Share in accordance with this Agreement, each Party remains obligated to pay to the other

Parties, by and through the Program Treasurer, its outstanding payments hereunder as they become due and payable, and any other Party may take any legal action as appropriate to obtain such payment.

10. Results of Nonpayment by Party. All Parties acknowledge that the failure of any Party to pay any amount hereunder will result in an increase in the operational costs of the Program to be divided among all other Parties. To that end, in the event any Party fails to pay, for any reason, any amount required to be paid by that Party under this Agreement within fifteen (15) days of when such payment is due, the amount of such nonpayment will be apportioned among the remaining Parties such that the remaining Parties will be responsible to pay such unpaid amount. Should the non-paying Party subsequently pay any portion of the amount owing, the increased cost paid pursuant to this Section by the remaining Parties will be reimbursed from such payment in a percentage equal to each Party's Share. Each Party's incremental increase in a contribution resulting from a Party's nonpayment will be due within thirty (30) days of notification by the Program Treasurer. The obligation of Parties to pay increased amounts under this paragraph is not intended to be an exclusive remedy. The Parties reserve the right to take any action as is appropriate to obtain payment from any non-paying Party. Additionally, each Party paying increased costs pursuant to this paragraph, shall have and retain the right to take any action at law or equity as is appropriate to obtain reimbursement of such increased payment amounts from the non-paying Party.

11. No Reimbursement. Except as otherwise expressly provided herein, it is the intention of all Parties that no funds provided by any Party under this Agreement shall be reimbursed. The Parties acknowledge that the payments made or required under this Agreement represents a fair return and consideration in exchange for access and use of the Program and Navigation Center during the Annual Term to which the payment or payment(s) relate(s). If, pursuant to judicial action or threat thereof, or for any other reason, any funds are reimbursed under this Agreement to any Party, other than as expressly provided herein, the remaining Parties will be responsible for paying the reimbursed amount, with each Party's repayment obligation equaling that used to establish the Party's Share.

12. Budgeting Party Contributions. For each Annual Term, each Party shall make every effort to adopt all necessary budgets and make all necessary appropriations for all payments due hereunder. The covenant contained in this Section shall be deemed to be, and shall be construed to be, contingent upon the continuing offer by other Parties to participate in the Program and be a party to this Agreement. To the extent the Parties offer access and use of the Program and Navigation Center to any Party, the continued responsibility of such Party to make all payments required hereunder shall be a duty imposed by law and it shall be the duty of each and every public official of each Party to take such actions and do such things as are required by law in performance of the official duty of such officials to enable the Party to carry out and perform the covenants contained in this Section.

13. Mutual Covenant. All Parties acknowledge that the construction, maintenance and availability of Navigation Center for the provision of Services to Guests, and the division of the costs of constructing and maintaining such Navigation Center among the Parties allows for costs efficiencies and significant savings to each Party and that each Party has entered into this

Agreement in reliance on such shared costs and resulting savings. Each Party, to provide assurance of such cost efficiencies to each remaining Party, hereby expresses its commitment to fulfill its stated obligations regardless of the term of the Agreement overlapping more than one fiscal year, and acknowledges the financial burden that any breach of the terms of this Agreement will have on all other Parties.

14. Grant Funding. The Parties are encouraged to pursue local, state, federal, and other grant opportunities and funding sources in furtherance of the Program, the Navigation Shelters, or towards a Party's financial contributions under this Agreement. To the extent possible, the Parties agree to work together cooperatively and in good faith in pursuit of funding opportunities.

7.6. Program Property. The Program Treasurer shall track and keep an accurate list of all Program Property valued at more than Five Thousand Dollars (\$5,000) that is acquired with funds contributed by the Parties, including a record of which Party is in custody of such Program Property. Regardless of whether a Party holds legal title to any such Program Property, it shall be managed and utilized by the Party in custody and control of the same exclusively for purposes consistent with this Agreement.

7.7. Disposition of Program Property. In the event any Party is in possession of any item of Program Property that is not needed or currently being utilized for purposes consistent with this Agreement, the Party in possession shall, within a reasonable time of discovering the same: (1) provide written notice to the Parties; and (2) direct the transfer the Program Property to another Party for use in the Program, as approved by Party Representatives. In the event the transfer of Program Property is unnecessary or infeasible, the Program Property shall be sold at fair-market value within a reasonable period of time, and the proceeds immediately transferred to the Program Treasurer for deposit into Program Accounts, or for reimbursement or reduction of Party Shares, as may be directed by Party Representatives. To the extent state, federal, or grant restrictions direct the disposition or sale of Program Property acquired with any such funding source, the same shall govern and prevail over the terms of this Section.

a) For Program Property specific to real property located at 13871 West Street in the City of Garden Grove has been identified as the future location of the New Navigation Center.

b) For purposes of real property disposition under Program Property, if the Parties deem the real property is unnecessary or infeasible for use in the Program, the Parties agree that the real property shall be sold at fair-market value within a reasonable period of time determined by the Parties, and the proceeds immediately transferred to the Program Treasurer for deposit into Program Accounts to closeout any and all final Program costs, then remaining net sale proceeds shall be disbursed to Parties based on pro-rata share detailed in the 2022 Cost Allocation Plan Option 3 (Exhibit "D") and further described as follows: (i) Garden Grove (0.5882%); (ii) Fountain Valley (0.1529%); and (iii) Westminster (0.2588%).

7.8. Annual Audit. The Program Treasurer shall cause an independent financial audit of the Program Accounts to be completed for each Annual Term (June – July) during the Term, and the report shall be presented to the Parties at the Annual Meeting ("Financial Audit"). The

Financial Audit shall comply with Generally Accepted Government Audit Standards, and shall be distributed to all Parties upon completion. The Program Treasurer shall be the “contracting party” for purposes of any third-party contract with an independent auditor.

8. DISPUTES, DEFAULTS, AND REMEDIES

8.1. General Disputes. Should the Parties be unable to reach a mutual agreement as to any matter necessary to effectively administer and operate the Program, such as the amount of any Party Share, as an alternative to terminating this Agreement or pursuing an alternative remedy, the Parties may mutually agree to refer the dispute to a neutral arbitrator for resolution, in which case the arbitrator’s determination shall be binding unless and until this Agreement is otherwise amended by the Parties.

8.2. Defaults.

a) Notice and Time to Cure. The failure by any Party to perform any of its obligations set forth in this Agreement shall constitute a default. Except as required to protect against further damages, the non-defaulting Parties may not institute legal proceedings against the Party in default until the non-defaulting Parties have provided the defaulting Party notice of the default and the cure period has expired: The cure period for any default shall be thirty (30) days after the defaulting Party’s receipt of written notice from the non-defaulting Parties that such obligation was not performed. In the case of a default which cannot be cured within the cure periods set forth in this section, the defaulting Party shall commence efforts to cure within such time periods, and shall diligently thereafter pursue to cure the default to completion within a reasonable period of time.

b) Cooperative Resolution. During the cure period set forth in paragraph (a), and prior to pursuing any remedies described in this Section, the Parties will attempt, in good faith, to find a mutually agreeable resolution through communicating with each other and attempting to resolve any substantive problems arising under this Agreement, including challenges arising from funding difficulties, and/or any difficulty with effectively implementing the responsibilities detailed in this Agreement. Communication and attempts to resolve such problems and difficulties prior to pursuing remedies under this Agreement include, but are not limited to, meeting together, amending this Agreement, and/or seeking the assistance of a jointly agreed upon mediator.

c) Remedies. Upon the occurrence of any default, and following written notice and expiration of the time to cure, the non-defaulting Parties may, at their option: declare this Agreement null and void with respect to the defaulting Party, in which case the defaulting party shall not be entitled to the benefits and privileges of this Agreement or the Program; or pursue damages or specific performance or other legal and equitable remedies the injured Parties may have against the non-defaulting Party in accordance with applicable law. Nothing herein shall be construed as the non-defaulting Parties’ exclusive remedy for the remediation of default by a Party, and the non-defaulting Parties reserve the right to pursue any and all available rights and remedies at law or in equity.

d) Non-refund of Contributions. The payments made by all Parties pursuant to this

Agreement shall be used for the Program in the manner described herein, and all Parties acknowledge and agree that the development, administration, and operation of the Program, including development of the Navigation Center, provides an immediate benefit to each Party and that no payments made pursuant to this Agreement shall be refunded for any reason other than as specifically authorized herein.

9. INDEMNITY AND INSURANCE

9.1. Indemnity / Hold Harmless. Each Party shall hold harmless, indemnify, and defend the other Parties, and each of them individually and jointly, and their respective officers, employees, and agents, from and against any and all claims, suits, or actions of every kind brought for or on account of injuries to or death of any person or damage to any property of any kind whatsoever and to whomsoever belonging which arise out of a Party's failure to fulfill any payment obligations of such Party arising pursuant to the performance or nonperformance of the Party's covenants and obligations under this Agreement, and which result from the actively negligent or wrongful acts of the Party, or its officers, employees, or agents. This provision requiring a Party to hold harmless, indemnify, and defend the other Parties shall expressly not apply to claims, losses, liabilities, or damages arising from actions or omissions, negligent or otherwise, of any independent contractor providing services pursuant to a contract with any other Party. In the event of concurrent negligence of the Parties or any other Party, its respective officers, or employees, and a Party, its officers and employees, then the liability for any and all claims for injuries or damages to persons and/or property or any other loss or cost which arises out of the terms, conditions, covenants or responsibilities of this Agreement shall be apportioned in any dispute or litigation according to the California theory of comparative negligence.

9.2. Insurance. Each Host City, and all Center Operators, shall obtain and maintain in full force and effect throughout the term of this Agreement, or the term of the Center Operator's contract, as applicable, insurance of the types and in the amounts directed by the Party Representatives. Costs incurred by Host Cities in procuring or maintaining such insurance shall be a Program Cost.

10. MISCELLANEOUS

10.1. Approval by Party Representatives; Host City Authority. Any term or provision of this Agreement that calls for the direction, approval, or consent of the Party Representatives, shall mean and refer to the direction, approval, or consent of at least two-thirds (2/3) of the Party Representatives; provided that, notwithstanding anything contrary in this Agreement, the Host City shall have discretion to approve or disprove any such action that: directly relates to the operation, management, capacity, construction, location, design, or scale of a Navigation Center located in the Host City's jurisdiction; results in the addition of a Navigation Party to this Agreement; or any other action that, in Host City's reasonable discretion, will have a reasonably foreseeable negative material impact on residents, business, or public facilities in the area surrounding the Navigation Center, materially increase the intensity of Navigation Center use or capacity, or materially increase burdens on public services provided to said area.. Except as specifically provided herein, all actions reasonably necessary to effectuate the purpose of this Agreement and the Program may be performed by the Party Representatives except as may otherwise be prohibited by state or

federal law.

10.2. Notice. Any notices provided to any Party in connection with this Agreement shall be directed to the Party Representative of each of the Parties set forth in Exhibit “H”.

10.3. Parties as Independent Contractors. Each Party is, and at all times shall be deemed to be, an independent contractor of the other Parties. Nothing herein is intended or shall be construed as creating the relationship of employer and employee, or principal and agent, between any Party, or any Party's agents or employees. Each Party shall retain all authority for rendition of services, standards of performance, control of personnel, and other matters incident to the performance of the Program pursuant to this Agreement. Each Party, and its agents and employees, shall not be considered to be employees of any other Party.

10.4. Governing Law and Venue. This Agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction, located in Orange County, California, and the Parties agree to and hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically agree to waive any and all rights to request that an action be transferred for trial to another county.

10.5. Amendments / Entire Agreement. Amendments to this Agreement must be in writing and approved by the governing body of each Party. This Agreement, and the various Exhibits referenced herein which are incorporated fully by this reference, is the entire agreement among the Parties with respect to the subject matter hereof, and it supersedes any prior written or oral agreements with respect to the subject matter.

10.6. Severability. If any section, subsection, paragraph, term, or provision of this Agreement, or the application thereof, is held by a court of competent jurisdiction to be invalid, void or unenforceable, such section, subsection, paragraph, term, or provision, to the extent the same is valid and enforceable, and all other remaining provisions hereof, shall remain in full force and effect, to the fullest extent possible, and shall in no way be affected, impaired or invalidated thereby to the extent such are not rendered impractical to perform taking into consideration the purposes of this Agreement.

10.7. Attorneys’ Fees. In any action or proceeding to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover its reasonable costs, expenses, and attorneys’ fees incurred in such action or proceeding.

10.8. Interpretation. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Agreement. In addition, each Party has been represented by experienced and knowledgeable independent legal counsel of its own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each Party further acknowledges that it has not been influenced to any extent whatsoever in executing this Agreement by the other Parties, or by any person representing the other Parties, or both. Accordingly, any rule or law (including Civil

Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purpose of the Parties and this Agreement.

10.9. Non-Waiver of Rights and Remedies. No term or provision of this Agreement shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the Party claimed to have waived or consented. Any consent by any Party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.

10.10. Authority. The Parties represent and warrant that this Agreement has been duly authorized by their respective governing boards, and executed by a duly authorized representative thereof, and constitutes the legally binding obligation of their respective Party, enforceable in accordance with its terms.

10.11. Assignment. Except as otherwise expressly provided for herein, no Party shall assign any of its obligations or rights hereunder without the consent of all other Parties, and any such assignment without consent shall be null and void.

10.12. Execution in Counterparts. This Agreement may be executed in counterparts, each of which, when the Parties have signed this Agreement, shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties to this Agreement have caused the same to be executed by each of their duly authorized officers as follows:

[SIGNATURES]

CITY OF GARDEN GROVE

By: _____
City Manager

Attest:

City Clerk

Approved as to form:

City Attorney

CITY OF FOUNTAIN VALLEY

By: _____
City Manager

Attest:

City Clerk

Approved as to form:

City Attorney

CITY OF WESTMINSTER

By: _____
City Manager

Attest:

City Clerk

Approved as to form:

City Attorney

Exhibit "A"
 Central Service Planning Area



County of Orange Service Planning Areas



Service Planning Areas

- | | | |
|--|--|--|
| ■ NORTH REGION | ■ CENTRAL REGION | ■ SOUTH REGION |
| Anaheim | Costa Mesa | Aliso Viejo |
| Brea | Fountain Valley | Dana Point |
| Buena Park | Garden Grove | Irvine |
| Fullerton | Huntington Beach | Laguna Beach |
| Cypress | Newport Beach | Laguna Hills |
| La Habra | Santa Ana | Laguna Niguel |
| La Palma | Seal Beach | Laguna Woods |
| Los Alamitos | Tustin | Lake Forest |
| Orange | Westminster | Mission Viejo |
| Placentia | County Unincorporated | Rancho Santa Margarita |
| Stanton | | San Clemente |
| Villa Park | | San Juan Capistrano |
| Yorba Linda | | County Unincorporated |
| County Unincorporated | | |

Exhibit “B”
Navigation Centers and Guest Capacity

City	Facility Name	Service Provider	Current Temporary Shelter Beds	Current Permanent Shelter Beds	Future Permanent Shelter Beds	Population Served
Costa Mesa	Costa Mesa Bridge Shelter https://www.costamesaca.gov/hot-topics/costa-mesa-bridge-shelter	Mercy House		72		Single Adults
Garden Grove*	Future Central Cities Navigation Center	TBD			50	Single Adults and Couples
Fountain Valley	Future Central Cities Navigation Center	TBD			13	Single Adults and Couples
Huntington Beach	Huntington Beach Navigation Center https://www.hbhomelessolutions.com	Mercy House		174		Single Adults
Newport Beach	Collaboration with Costa Mesa	Mercy House				
Santa Ana	Carnegie Site Homeless Shelter	Illumination Foundation		200		Single Adults and Families
Seal Beach	N/A					
Tustin	Tustin Temporary Emergency Shelter https://tustintemporaryshelter.squarespace.com/	Orange County Rescue Mission	57			Single Adults and Families
Westminster	Future Central Cities Navigation Center	TBD			22	Single Adults and Couples
Total Central SPA Emergency Shelter Beds			57	446	85	
County of Orange	Armory Emergency Shelter https://ceo.ocgov.com/care-coordination/homeless-services	County of Orange/Mercy House		100		Single Adults
	Yale Navigation Center (Santa Ana) https://epath.org/regions/orange-county/	County of Orange (PATH)		425		Single Adults
County of Orange Shelter Beds located within Central SPA				525		

**Designated Host City for Future Central Cities Navigation Center*

Exhibit “C”
Estimated Program Costs and Budget

(1) Future Central Cities Navigation Center 2022 Construction and Acquisition Program Costs (Estimated)						
	Due Diligence	C-SPA Administration	Property Acquisition	Tenant Improvements	FF&E	Estimated Budget
Garden Grove	231,618	44,118	3,323,529	411,765	882,353	4,893,382
Fountain Valley	60,221	11,471	864,118	107,059	229,412	1,272,279
Westminster	101,912	19,412	1,462,353	181,176	388,235	2,153,088
Total	393,750	75,000	5,650,000	700,000	1,500,000	8,318,749
Average Cost Per Bed				97,868		

(2) Future Central Cities Navigation Center Ongoing Operation and C-SPA Administration Costs (Estimated)			
Navigation Center	Total Cost	Bed	Average Cost Per Bed
Garden Grove	1,350,000	50	27,000
Fountain Valley	351,000	13	27,000
Westminster	594,000	22	27,000
C-SPA Administration	75,000		882
Total Cost	2,370,000	85*	
Average Cost Per Bed		27,882	
<p style="text-align: center;">*Cost estimated assume a capacity of 85 beds at the Future Central Cities Navigation Center. Ongoing operations and program design will explore opportunity to achieve capacity of up to 100 beds.</p>			

Exhibit “D”
Estimated Funding Source(s) and Party Shares

(1) Estimated Funding Source(s) for Construction and Acquisition (Estimated)					
	Property Acquisition	Construction (Due Diligence/ Tenant Improvement/ FF&E/Admin)	Party Shares	Funding Source(s)	Percent of Total
County of Orange		5,300,000	5,300,000	General Fund, ARPA	0.3892
Garden Grove	3,323,529	1,569,853	4,893,382	PLHA funds, Housing Authority, General Fund	0.3593
Fountain Valley	864,118	408,162	1,272,279	Housing Authority, General Fund	0.0934
Westminster	1,462,353	690,735	2,153,088	General Fund	0.1581
Total	5,650,000	7,968,750	13,618,750		1.0000

(2) Party Shares of Ongoing Operation Program Costs (Estimated at Year 1)				
	C-SPA Cities Cost Allocation Plan *	Party Shares	Funding Source(s)	Percent of Total
County of Orange		625,000	General Fund, ARPA	0.2686
Garden Grove	0.5882	1,001,103	PLHA funds, Housing Authority, General Fund	0.4302
Fountain Valley	0.1529	260,287	Housing Authority, General Fund	0.1119
Westminster	0.2588	440,485	General Fund	0.1893
Total	1.0000	2,326,875		1.0000

* Reference Exhibit ‘E’ for Cost Allocation Plan

**Exhibit “E”
2022 Cost Allocation Plan**

2022 Cost Allocation Plan							
	Option 1			Option 2		Option 3	
	2022 Point In Time Count*			2020 Population**	% of 2020 Population	Beds	2022 Cost Allocation by Beds
	Unsheltered	% of Unsheltered	Sheltered				
Garden Grove	278	0.5853	113	171,949	0.5375	50	0.5882
Fountain Valley	38	0.0800	0	57,047	0.1783	13	0.1529
Westminster	159	0.3347	0	90,911	0.2842	22	0.2588
	475	1.0000	113	319,907	1.0000	85	1.0000

Source

* Point In Time Count Results for the County of Orange released on May 11, 2022

** 2020 Census Results and Data Profiles (<https://www.census.gov/en.html>)

Exhibit “F”
Operating Plan Considerations

In addition to other matters directed by Party Representatives, Operation Plan should address or include the following:

- A. General policies and procedures that promote utmost safety for Guest, staff, volunteers, and the community, and New Navigation Center should strive to provide an atmosphere that promotes community, stays alert for signs of conflict, and confronts behaviors before they escalate.
- B. Security measures including but not limited to security plans, secured entrances, on-site security personnel, video recording equipment, lighting, law enforcement patrols, and neighborhood safety and patrols.
- C. Fire, earthquake, and disaster safety, including but not limited to evacuation plans, fire prevention procedures, fire drills and documentation, fire inspections and extinguishers.
- D. Guest access, including but not limited to hours of operation, controlled access, transportation of Guests to and from the Navigation Center from jurisdiction of resident, overflow management, screenings procedures and criteria, identification requirements and procedures, storage of Guest property, and animal policies.
- E. Guest rules of conduct and guidelines, including anti-loitering policies, the use of controlled and over the counter substances, possession of weapons or drug paraphernalia, and dispute resolution procedures.
- F. Access and referral of Guest to emergency and medical care, including both on-site of New Navigation Center and coordination with local EMT providers and medical facilities.
- G. Coordination with transitional housing providers to locate transition housing vacancies for Guests, and connect Guests to local service providers, with a goal of increasing the Navigation Center turnover rate as Guests are successfully matched to alternate housing opportunities.
- H. Health policies designed for safety of staff and Guests, including procedures for the handling and disposal of hazardous materials, precautions in handling of laundry and cleaning, and general self-health care, wearing appropriate protective garments (i.e. gloves), use of disinfecting cleaning products, and hand-washing procedures.
- I. Disease prevention protocols for prevention and treatment of diseases and conditions such as seizures, diabetic episodes, mental health episodes, lice, bed bugs, influenza, and other communicable and contagious diseases.
- J. Compliance with all local, state, and federal laws, regulations, and policies, including but not limited to labor laws, non-discrimination laws and policies, the American with Disabilities Act, gender-specific programming policies, religious freedom, and sexual harassment.

Exhibit “G”
Program Accounts

- A. **Capital Improvement Fund.** Monies in the CPI Fund shall be used solely and exclusively for purpose of financing costs associated with the expansion, modification, improvement, retrofitting, construction, and/or development of the New Navigation Center, including any pre or post-construction work associated with the foregoing.

- B. **Operating Fund.** Monies in the Operating Fund shall be used solely and exclusively for purposes of financing costs associated with the day-to-day, on-site management and operation of New Navigation Center, including such expenses as insurance, personnel, consumables, disposables, refuse disposal, utility costs, professional services providers, and exclusively for purposes of financing costs associated with the regular and routine maintenance, repair, or replacement of capital improvement associated with the New Navigation Center.

Exhibit “H”
Notices and Designation of Party Representative(s)

Party Representative(s)	Party Representative(s)
Garden Grove	<p>Scott C. Stiles, City Manager City of Garden Grove 11222 Acacia Parkway Garden Grove, CA 92840 EMAIL: sstiles@ggcity.org</p> <p>With Copy to:</p> <p>Omar Sandoval, City Attorney Woodruff, Spradlin & Smart 555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626 EMAIL: osandoval@wss-law.com</p>
Fountain Valley	<p>Christine Cordon, City Manager City of Westminster 8200 Westminster Blvd Westminster, CA 92683 EMAIL: ccordon@westminster-ca.gov</p> <p>With Copy to:</p> <p>Colin Burns, City Attorney Harper & Burns LLC 453 S. Glassell Street Orange, CA 92866 EMAIL: crburns@harperburns.com</p>
Westminster	<p>Maggie Le, City Manager City of Fountain Valley 10200 Slater Avenue Fountain Valley, CA 92708 EMAIL: Maggie.Le@fountainvalley.org</p> <p>With Copy to:</p> <p>Christian L. Bettenhausen, City Attorney Jones & Mayer 3777 North Harbor Boulevard Fullerton, CA 92835 EMAIL: clb@jones-mayer.com</p>