

**AGREEMENT BETWEEN
THE COUNTY OF SHASTA
AND
PC REDDING APARTMENTS LIMITED PARTNERSHIP**

THIS AGREEMENT, herein after referred to as Agreement, is entered into by and between the County of Shasta, a political subdivision of the State of California, through its Health and Human Services Agency (“County”) and PC Redding Apartments Limited Partnership (“PCRA”), a California Limited Partnership, (collectively, the “Parties” and individually a “Party”), for the management of 19 housing units of supportive housing within a 55 unit affordable housing project known as The Woodlands.

Section 1. DEFINITIONS.

For the purposes of this Agreement the following definitions shall apply:

- A. Client(s) – A Client is someone who has met County’s screening criteria for MHSA Permanent Supportive Housing Project eligibility.
- B. County Unit(s) – County Unit(s) means the 14 one-bedroom floating units and five two-bedroom floating units that will be located throughout the Project and are designated for Clients.
- C. MHSA Permanent Supportive Housing Project – The MHSA Permanent Supportive Housing Project, also called “The Woodlands,” means the 19 units in the Project that are set aside for Clients. It includes supportive and social services that are designed to help Clients maintain housing stability.
- D. Project - The Project is located on 9.1 acres at 2950 Polk Street, Redding, California 96001 and consists of a total of 54 multi-family affordable housing units plus a manager’s unit. The 54 multi-family affordable housing include one-, two- and three-bedroom units. A total of 35 units are affordable general population units, and 14 one-bedroom floating units and five two-bedroom floating units are set-aside for County clients. The Project also includes an on-site community center that includes a computer room, game room, activity room, laundry facilities, County staff office, and manager’s unit. Common areas include a pool, social plaza, BBQ area, exercise circuit, children’s play areas, community garden areas, and landscaping/green space.
- E. Social services – Means the services offered to Clients by PCRA. They may include, but are not limited to: Finance/budgeting classes, personal income tax preparation, adult education classes, benefit/entitlement assistance, after-school activities, and health and wellness classes.
- F. Supportive services – means the services provided by County or County’s contractor(s) to Clients on an as-needed basis as determined by County. They may include, but are not limited to: Case management, clinical support, crisis management, medication support, connection to community-based resources, nursing support, co-occurring treatment, In-Home Support Services, Wellness & Recovery Action Planning (“WRAP”), life skills training, peer support, family support, benefits counseling, Public Guardian, employment readiness and

resources, Adult Protective Services, Representative Payee Support, vocational services, and after-hours crisis support.

Section 2. RESPONSIBILITIES OF PCRA.

- A. PCRA shall provide to Clients the County Units.
- B. Each County Unit provided by PCRA shall include:
 - (1) One full/double bed, one nightstand, one four-drawer dresser, and one lamp for each bedroom in a County Unit.
 - (2) One full-size couch, one coffee table, one lamp, one television stand for the living room.
 - (3) One dining room table and four chairs for the dining room.
- C. Notify County's Mental Health Services Act coordinator in writing within seven calendar days of knowledge that a Client is vacating and/or terminating their tenancy in a County Unit.
- D. Provide County with 120 days written advance notice prior to any change in property ownership or property management.
- E. PCRA shall maintain and operate the Project.
- F. PCRA shall maintain the on-site community center, common areas and grounds.
- G. PCRA shall develop Client selection criteria that defines how PCRA will select Clients for tenancy of a County unit. Selection criteria shall be consistent with applicable Fair Employment and Housing Act (Government Code sections 12900, *et seq.*) provisions.
- H. PCRA shall develop procedures to implement the selection criteria which includes, but is not limited to, a notification of any action taken, appeal rights and processes as defined in the Americans with Disabilities Act and Fair Employment and Housing Act (Government Code sections 12900, *et seq.*) for Clients denied tenancy.
- I. Using the Client selection criteria identified in Section 2. G. above, PCRA shall screen and select Clients for tenancy of County Units. PCRA shall ensure consistent application of Client selection criteria.
- J. PCRA shall provide assistance to Clients who have been accepted for tenancy by PCRA prior to moving in. Such assistance shall include, but is not limited to, arrival or first day orientation, and coordination with County's staff or County's contractors to facilitate the Client's occupancy in their County unit.
- K. PCRA staff shall attend quarterly monitoring meetings with County staff to review whether services are provided in a manner consistent with the provisions of this Agreement. County shall set the date, time and place of these quarterly meetings.
- L. PCRA shall allow County's staff or County's contract providers use of Project common areas to provide services to Clients during the term of this Agreement.
- M. PCRA shall comply with all CalHFA permanent supportive housing rules, regulations, and reporting requirements, as they may be amended from time to time, for the entire term of this Agreement.
- N. PCRA shall ensure the availability of social services to Clients including, but not limited to, the following:

- (1) Finance/Budgeting Classes: Financial literacy classes/workshops shall be provided for a minimum of fifty-two (52) hours per year.
 - (2) Personal Income Tax Preparation: Personal income tax preparation instruction shall be provided for a minimum of ten (10) hours per year.
 - (3) Adult Education Classes: Adult education instruction shall be provided for a minimum of eighty-eight (88) hours per year. Adult education classes shall include, but are not limited to, education regarding benefit/entitlement assistance, computer skills, job readiness, GED instruction, job retention, and networking with community resources to promote employment opportunities.
 - (4) After-school Activities: After-school activities shall be provided for a minimum of six (6) hours per week.
 - (5) Health and Wellness Classes: Health and wellness classes shall be provided for a minimum of eighty-eight (88) hours per year, and shall include, but not be limited to, relationship skills, communication, cooperation, personal responsibility, self-control, empathy, pre-crisis intervention, and emotional support.
- O. PCRA shall provide Project performance outcome data to County within 30 days of the end of each quarter, using reporting worksheets provided by County.
- P. PCRA shall provide to County for the term of this Agreement and at no cost whatsoever, exclusive use of an office at the Project of not less than 140 square feet in order for County or its contractors to provide the services required of County pursuant to this agreement. At the time of execution of this Agreement, the office space to be provided to County is identified as Office #107. Configuration of the Office shall permit confidential meeting space for the County and the maintenance of confidential files by the County in the Office. PCRA shall, at its own cost, maintain the Office in good condition and in accordance with all applicable laws and regulations. PCRA shall also pay, at its own expense, any utility costs associated with County's use of the office space. County shall have the right to install and maintain, at its own expense, a T1 telecommunications line, or its substantial equivalent. PCRA may relocate County to other space within the Project only upon County's prior written approval. Should the Parties have a disagreement regarding County's use of the Office or any of the obligations of this subsection, the Parties agree to attempt to informally resolve the disagreement for 45 days' following notification to the other Party of the disagreement. If the Parties are unable to informally resolve the disagreement, either Party may request mediation with the cost to be shared equally.

Section 3. RESPONSIBILITIES OF COUNTY.

County shall:

- A. Screen applicants for MHSA Permanent Supportive Housing Project eligibility and forward names of approved Clients to PCRA for housing eligibility screening.
- B. Establish and maintain a waiting list of Clients who are eligible for participation in the MHSA Permanent Supportive Housing Project.
- C. Monitor PCRA's compliance with the provisions of this Agreement.

- D. Coordinate quarterly monitoring meetings to review whether services are provided in a manner consistent with the provisions of this Agreement.
- E. Create quarterly reporting form to record, track, and report Project performance outcome data, provide the form to PCRA within 30 days of this Agreement being finalized, and collect the form from PCRA quarterly.
- F. Provide supportive services to MHSA Clients on an as needed basis as determined by County.

Section 4. COMPENSATION.

There will be no exchange and/or receipt of payment from either Party to the other Party pursuant to this Agreement. The consideration for performance of this Agreement is the performance of the rights, duties, and obligations set forth in this Agreement.

Section 5. TERM OF AGREEMENT.

The term of this Agreement shall be for a period of 20 years commencing upon the date of Certificate of Occupancy or the execution of this Agreement by County, whichever is later.

Section 6. TERMINATION OF AGREEMENT.

- A. Either Party may terminate this Agreement immediately upon breach of the Agreement by the other Party, provided written notice of such breach is given and the notified Party fails to cure such breach to the reasonable satisfaction of the noticing Party within 30 days of delivery of the notice of breach, or such extended period as is necessary to cure the breach. Such termination by the noticing Party shall be effective at the end of the cure period if no cure has been affected.
- B. County shall have the right to terminate this Agreement immediately in the event any one or more of the following occurs:
 - (1) A petition for adjudication of PCRA is filed for voluntary or involuntary bankruptcy, which is not dismissed within 60 days of filing.
 - (2) PCRA makes a general assignment or PCRA's interest hereunder is assigned involuntarily or by operation of law, for the benefit of creditors.
 - (3) Abandonment of the Project by PCRA.
- C. County may terminate this agreement without cause on 30 days written notice to Consultant.
- D. County shall not be obligated to perform the services provided for in this Agreement for any future County fiscal year unless or until County's Board of Supervisors appropriates funds for this Agreement in County's budget for that County fiscal year. In the event that funds are not appropriated for this agreement, then this agreement shall end as of June 30 of the last County fiscal year for which funds for this agreement were appropriated. For the purposes of this agreement, the County fiscal year commences on July 1 and ends on June 30 of the following year. County shall notify PCRA in writing of such non-appropriation at the earliest possible date.
- E. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased during the term of this agreement.

- F. County's right to terminate this agreement may be exercised by the County's Administrative Officer, or County's HHSA Director or any HHSA Branch Director designated by the HHSA Director.

Section 7. ENTIRE AGREEMENT; AMENDMENTS; HEADINGS; EXHIBITS/APPENDICES.

- A. Except as provided in Section 27, this Agreement supersedes all previous agreements relating to the subject of this Agreement and constitutes the entire understanding of the Parties hereto. PCRA shall be entitled to no other benefits other than those specified herein. PCRA specifically acknowledges that in entering into and executing this Agreement, PCRA relies solely upon the provisions contained in this Agreement and no others.
- B. No changes, amendments, or alterations to this Agreement shall be effective unless in writing and signed by both Parties. However, minor amendments that do not result in a substantial or functional change to the original intent of this Agreement may be agreed to in writing between PCRA and the HHSA Director or any HHSA Branch Director designated by the HHSA Director, provided that the amendment is in substantially the same format as the County's standard format amendment contained in the Shasta County Contracts Manual (Administrative Policy 6-101).
- C. The headings that appear in this Agreement are for reference purposes only and shall not affect the meaning or construction of this Agreement.
- D. If any ambiguity, inconsistency, or conflict exists or arises between the provisions of this Agreement and the provisions of any of this Agreement's exhibits or appendices, the provisions of this Agreement shall govern.

Section 8. NONASSIGNMENT OF AGREEMENT; NON-WAIVER.

Inasmuch as this Agreement is intended to secure the specialized services of PCRA, PCRA may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of County. The waiver by County of any breach of any requirement of this Agreement shall not be deemed to be a waiver of any other breach.

Section 9. EMPLOYMENT STATUS OF PCRA.

PCRA shall, during the entire term of this Agreement, be construed to be an independent contractor, and nothing in this Agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which PCRA performs the work or services that are the subject matter of this Agreement; provided, however, that the work or services to be provided by PCRA shall be provided in a manner consistent with the professional standards applicable to such work or services. The sole interest of County is to insure that the work or services shall be rendered and performed in a competent, efficient, and satisfactory manner. PCRA shall be fully responsible for payment of all taxes due to the State of California or the federal government that would be withheld from compensation if PCRA were a County employee. County shall not be liable for deductions for any amount for any purpose from PCRA's compensation. PCRA shall not be eligible for coverage under County's workers' compensation insurance plan nor shall PCRA be

eligible for any other County benefit. PCRA must issue W-2 and 941 Forms for income and employment tax purposes, for all of PCRA's assigned personnel under the terms and conditions of this Agreement.

Section 10. INDEMNIFICATION.

To the fullest extent permitted by law, PCRA shall indemnify and hold harmless County, its elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses, (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this Agreement by PCRA, or by any of PCRA's subcontractors, any person employed under PCRA, or under any subcontractor, or in any capacity, except when the injury or loss is caused by the sole negligence or intentional wrongdoing of County. PCRA shall also, at PCRA's own expense, defend the County, its elected officials, officers, employees, agents, and volunteers, against any claim, suit, action, or proceeding brought against County, its elected officials, officers, employees, agents, and volunteers, arising from the work or the provision of services undertaken pursuant to this Agreement by PCRA, or any of PCRA's subcontractors, any person employed under PCRA, or under any Subcontractor, or in any capacity. PCRA shall also defend and indemnify County for any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency and shall defend, indemnify, and hold harmless County with respect to PCRA's "independent contractor" status that would establish a liability on County for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law. This provision shall survive the termination, expiration, or cancellation of this Agreement.

Section 11. INSURANCE COVERAGE.

- A. Without limiting PCRA's duties of defense and indemnification, PCRA and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this Agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other insurance necessary to protect the County and the public with limits of liability of not less than \$3 million combined single limit bodily injury and property damage; such insurance shall be primary as to any other insurance maintained by County.
- B. PCRA and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover PCRA, subcontractor, PCRA's partner(s), subcontractor's partner(s), PCRA's employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by PCRA or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against the County, its elected officials, officers, employees, agents, and volunteers which might arise in connection with this Agreement. PCRA hereby

certifies that PCRA is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and PCRA shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this Agreement.

- C. Consultant shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million.
- D. PCRA shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of PCRA pursuant to this Agreement.
- E. With regard to all insurance coverage required by this Agreement:
 - (1) Any deductible or self-insured retention exceeding \$25,000 for PCRA or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this Agreement.
 - (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, PCRA or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of this Agreement and continue coverage for a period of three years after the expiration of this Agreement and any extensions thereof. In lieu of maintaining post-Agreement expiration coverage as specified above, PCRA or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this Agreement.
 - (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *Shasta County, its elected officials, officers, employees, agents, and volunteers as additional insureds* and provides that coverage *shall not be reduced or canceled without 30 days written prior notice certain to the County*. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.
 - (4) Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a "separation of insureds" clause which shall read:

"Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each suit insured against whom a claim is made or suit is brought."

- (5) PCRA shall provide the County with an endorsement or amendment to PCRA's policy of insurance as evidence of insurance protection before the effective date of this Agreement.
- (6) The insurance coverage required herein shall be in effect at all times during the term of this Agreement. In the event any insurance coverage expires at any time during the term of this Agreement, PCRA shall provide, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement or for a period of not less than one year. In the event PCRA fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this Agreement, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- (7) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, PCRA shall provide County a certificate of insurance reflecting those limits.
- (8) Any of PCRA's Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the County.

Section 12. NOTICE OF CLAIM; APPLICABLE LAW; VENUE.

- A. If any claim for damages is filed with PCRA or if any lawsuit is instituted concerning PCRA's performance under this Agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect County, PCRA shall give prompt and timely notice thereof to County. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit. This provision shall survive the termination, expiration, or cancellation of this Agreement.
- B. Any dispute between the Parties, and the interpretation of this Agreement, shall be governed by the laws of the State of California. Any litigation shall be venued in Shasta County.

Section 13. COMPLIANCE WITH LAWS; NON-DISCRIMINATION.

- A. PCRA shall observe and comply with all applicable present and future federal laws, state laws, local laws, codes, rules, regulations, and/or orders that relate to the work or services to be provided pursuant to this Agreement.
- B. PCRA shall not discriminate in employment practices or in the delivery of services on the basis of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, medical condition (including cancer, HIV, and AIDS) physical or mental disability, use of family care leave under either the Family & Medical Leave Act or the California Family Rights Act, or on the basis of any other status or conduct protected by law.

- C. PCRA represents that PCRA is in compliance with and agrees that PCRA shall continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101, *et seq.*), the Fair Employment and Housing Act (Government Code sections 12900, *et seq.*), and regulations and guidelines issued pursuant thereto.
- D. PCRA shall not use the Project in any way for sectarian worship, instruction, or proselytization.
- E. In addition to any other provisions of this Agreement, PCRA shall be solely responsible for any and all damages caused, and/or penalties levied, as the result of PCRA's noncompliance with the provisions of this section.

Section 14. ACCESS TO RECORDS; RECORDS RETENTION.

- A. PCRA shall maintain financial, programmatic, statistical and other supporting records of its operations and financial activities in accordance with State and Federal requirements. All records shall be open to inspection and may be audited by the authorized representatives of County, and any State and/or Federal governing agencies. This provision shall survive the termination, expiration, or cancellation of this Agreement.
- B. All financial records, supporting documents, statistical records, and all other records pertaining to the use of the funds provided under this Agreement shall be retained collectively PCRA for a period of the lesser of (a) five years following termination or expiration of this Agreement, pursuant to the terms herein, or (b) 25 years from issuance of a certificate of occupancy to PCRA (the "Retention Period"). Such records shall be made available for audit by County, State or Federal representatives as necessary. In the event of litigation, claim or audit, the records shall be retained until all litigation, claims and audit findings involving the records, have been fully resolved. In the event any County, State and/or Federal laws mandate a longer retention period, such longer retention shall apply. Access to these records shall be provided to County during working days, 8:00 a.m. to 5:00 p.m. and at other times upon reasonable notice by County, and upon request of state and federal agencies charged with the administration of programs related to the work or services to be provided pursuant to this Agreement.
- C. PCRA shall be responsible for receiving, replying to, and/or complying with any audit exception by appropriate federal, state, or County audit directly related to the provisions of this Agreement.

Section 15. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS.

PCRA's failure to comply with state and federal child, family, and spousal support reporting requirements regarding PCRA's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this Agreement. PCRA's failure to cure such default within 90 days of notice by County shall be grounds for termination of this Agreement.

Section 16. LICENSES AND PERMITS.

PCRA, and PCRA's officers, employees, agents, and contractors performing the work or services required by this Agreement, shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, the County of Shasta, and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Agreement by County.

Section 17. PERFORMANCE STANDARDS.

PCRA shall perform the work or services required by this Agreement in accordance with the industry and/or professional standards applicable to PCRA's work or services.

Section 18. CONFLICTS OF INTEREST.

PCRA and PCRA's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property, or source of income that could be financially affected by or otherwise conflict in any manner or degree with the performance of the work or services required under this Agreement.

Section 19. NOTICES.

Any notices required or permitted pursuant to the terms and provisions of this Agreement shall be given to the appropriate Party at the address specified below or at such other address as the Party shall specify in writing. Such notice shall be deemed given: (1) upon personal delivery; or (2) if sent by first class mail, postage prepaid, two days after the date of mailing.

If to County: Branch Director
 HHSB Business & Support Services
 Attn: Contracts Unit
 P.O. Box 496005
 Redding, CA 96049-6005
 Phone: 530.245.6860
 Fax: 530.225.5555

If to PCRA: PC Redding Apartments Limited Partnership
 c/o Palm Communities
 100 Pacifica, Suite 205
 Irvine, CA 92618
 Phone: 949.878.9399
 Fax: 949.878-9387

Section 20. AGREEMENT PREPARATION

It is agreed and understood by the Parties that this Agreement has been arrived at through negotiation and that neither Party is to be deemed the Party which created any uncertainty in this Agreement within the meaning of section 1654 of the Civil Code.

Section 21. COMPLIANCE WITH POLITICAL REFORM ACT.

PCRA shall comply with the California Political Reform Act (Government Code sections 81000, *et seq.*), with all regulations adopted by the Fair Political Practices Commission pursuant thereto, and with the County's Conflict of Interest Code, with regard to any obligation on the part of PCRA to disclose financial interests and to recuse from influencing any County decision which may affect PCRA's financial interests. If required by the County's Conflict of Interest Code, PCRA shall comply with the ethics training requirements of Government Code sections 53234, *et seq.*

Section 22. PROPERTY TAXES.

PCRA represents and warrants that PCRA, on the date of execution of this Agreement, (1) has paid all property taxes for which PCRA is obligated to pay, or (2) is current in payments due under any approved property tax payment arrangement. PCRA shall make timely payment of all property taxes at all times during the term of this Agreement.

Section 23. SEVERABILITY.

If any portion of this Agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or County ordinance, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

Section 24. CONFIDENTIALITY OF CLIENT INFORMATION.

All information and records obtained in the course of providing services under this Agreement shall be confidential, and PCRA and all of PCRA's employees, volunteers, agents, and officers shall comply with state and federal requirements regarding confidentiality of Client/patient information (including, but not limited to, section 5328 of the Welfare and Institutions Code; Civil Code section 56.10; the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the regulations adopted pursuant thereto; Title 42, Code of Federal Regulations, Part 2; and Title 45, Code of Federal Regulations, section 205.50). All applicable regulations and statutes relating to Client/patients' rights shall be adhered to. This provision shall survive the termination, expiration, or cancellation of this Agreement.

Section 25. SCOPE AND OWNERSHIP OF WORK.

All research data, reports, and every other work product of any kind or character arising from or relating to this Agreement shall become the property of the County and be delivered to the County upon completion of its authorized use pursuant to this Agreement. County may use such work products for any purpose whatsoever. All works produced under this Agreement shall be deemed works produced by a contractor for hire, and all copyright with respect thereto shall vest in the County without payment of royalty or any other additional compensation. Notwithstanding anything to the contrary contained in this Agreement, PCRA shall retain all of PCRA's rights in PCRA's own proprietary

information, including, without limitation, PCRA's methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge, and experience possessed by PCRA prior to, or acquired by PCRA during the performance of this Agreement and PCRA shall not be restricted in any way with respect thereto.

Section 26. USE OF COUNTY PROPERTY.

PCRA shall not use County premises, property (including equipment, instruments, and supplies), or personnel for any purpose other than in the performance of PCRA's obligations under this Agreement.

Section 27. ADDITIONAL CONFIDENTIALITY REQUIREMENTS.

Should information regarding County's clients become known to PCRA that is not otherwise known to PCRA, PCRA shall comply with, and require all of its contractors, employees, volunteers, agents, and officers to comply with, the provisions of section 5328 and section 10850 of the Welfare and Institutions Code, and of Division 19 of the State of California Department of Social Services Manual of Policies and Procedures. PCRA shall ensure all of its employees, volunteers, agents, and officers comply with these provisions, and shall inform all of its employees, agents, and officers that any person knowingly and intentionally violating such provisions is guilty of a misdemeanor.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, County and PCRA have executed this Agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this Agreement and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

DAVID A. KEHOE, Chairman
Board of Supervisors
County of Shasta
State of California

ATTEST
LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel

James R. Ross
Assistant County Counsel

RISK MANAGEMENT APPROVAL

James Johnson
Risk Management Analyst

**PC REDDING APARTMENTS
LIMITED PARTNERSHIP**, a California
limited partnership

By: PC Redding Developers LLC, a
California limited liability company,
its administrative general partner

Danavon L. Horn,
President