



**DESERT HEALTHCARE DISTRICT
BOARD MEETING
Board of Directors
June 23, 2020
5:30 P.M.**

In accordance with the current State of Emergency and the Governor’s Executive Order N- 25-20, of March 12, 2020, revised on March 18, 2020, teleconferencing will be used by the Board members and appropriate staff members during this meeting. In lieu of attending the meeting in person, members of the public will be able to participate by webinar by using the following link:

**<https://us02web.zoom.us/j/82852026078?pwd=SC8rc2M3MTJKYzBITVZQanFCQXFIZz09>
Password: 983521**

Participants will need to download the Zoom app on their devices. Members of the public may also be able to participate by telephone, using the follow dial in information:

Dial in #: **(669) 900-6833** To Listen and Address the Board when called upon:

**Webinar ID: 828 5202 6078
Password: 983521**

If you are unable to use the 669 area code (San Jose), dial (877) 304-9269 – Passcode: 594808#

You may also email ahayles@dhcd.org with your public comment no later than 4 p.m., Tuesday, 06/23.

<i>Page(s)</i>	AGENDA <i>Any item on the agenda may result in Board Action</i>	<i>Item Type</i>
	A. CALL TO ORDER – President De Lara Roll Call ____Director Shorr____Director Zendle, MD____Director PerezGil____ Director Rogers, RN____ Director Matthews____ Vice-President/Secretary Borja____President De Lara	
	B. PLEDGE OF ALLEGIANCE	
1-3	C. APPROVAL OF AGENDA	Action
	D. PUBLIC COMMENT At this time, comments from the audience may be made on items <i>not</i> listed on the agenda that are of public interest and within the subject-matter jurisdiction of the District. The Board has a policy of limiting speakers to no more than three minutes. The Board cannot take action on items not listed on the agenda. Public input may be offered on agenda items when they come up for discussion and/or action.	
	E. CONSENT AGENDA All Consent Agenda item(s) listed below are considered routine by the Board of Directors and will be enacted by one motion. <u>There will be no separate discussion of items unless a Board member so requests, in which event the item(s) will be considered following approval of the Consent Agenda.</u>	Action



- 1. BOARD MINUTES
 - 4-15 a. Board of Directors Meeting – May 26, 2020
 - 16-17 b. Closed Session of the Board of Directors – May 26, 2020
- 2. FINANCIALS
 - 18-38 a. Approval of the May 2020 Financial Statements – F&A
Approved June 9, 2020
- 3. LAS PALMAS MEDICAL PLAZA
 - 39-41 a. Las Palmas Medical Plaza - Addendum to Lease
Agreements for Rent Deferral
 - 42-63 b. Las Palmas Medical Plaza – Lease Renewal Suite 1W
102-103 – Quest Diagnostics
- 4. BOARD AND STAFF COMMUNICATIONS AND POLICIES
 - 64-68 a. Policy #PROC-1 – Purpose of Board Policies &
Adoption/Amendment of Policies
 - 69-74 b. Policy #BOD-01 – Swearing in of Board Members
 - 75-82 c. Policy #BOD-02 – Election & Appointment and Duties of
Board Officers
 - 83-84 d. Policy #BOD-04 – Attendance at Meetings
 - 85-89 e. Policy #BOD-05 – Basis of Authority
 - 90-92 f. Policy #BOD-11 – Board Actions and Decisions
 - 93-96 g. Policy #FIN-01 – Financial Operations
 - 97-98 h. Policy #FIN-02 – Authorized Check Signers, Number of
Signers, Dollar Limit for Signers, Transfer of Funds
 - 99-102 i. Policy #FIN-03 – Statement of investment Policy
 - 103-105 j. Resolution #20-04 for FY 20-21 Investment Policy
 - 106-109 k. Policy #FIN-04 – Budget Preparation
 - 110-113 l. Policy #FIN-05 – Credit Card Usage
 - 114-166 m. 2020 Employee Handbook

F. DESERT HEALTHCARE DISTRICT CEO REPORT

– Conrado E. Bárzaga, MD

- 1. Local Area Formation Commission (LAFCO) Municipal Services Review (MSR) Update Information
- 167-227 2. Consideration to appoint the CEO to Lift to Rise’s Core Leadership Team of Connect Capital, working with the Lincoln Land Policy Institute Center for Community Investment funded by the Robert Wood Johnson Foundation **Action**
- 228 3. COVID-19 Funding Update Information
- 4. Community Health Needs Assessment and Health Improvement Plan Update Information
- 229-230 5. General Election – November 3, 2020 **Action**
 - a. Notice of Election
- 231-232 6. Consideration to approve a \$432,595 allocation to further Advance the District’s Role in Addressing the Healthcare Needs of Black Communities in the Coachella Valley **Action**
 - a. Request for Proposals (RFP) – Access to Healthcare



	<ul style="list-style-type: none"> b. Expanding Racial Diversity in the Health Profession Workforce 	
233	7. Desert Hot Springs Health and Wellness Foundation Board Update	Information
	G. DESERT REGIONAL MEDICAL CENTER CEO REPORT – Michele Finney, CEO	Information
	H. 1. PROGRAM COMMITTEE – Chair/Director Evett PerezGil, Vice-President Karen Borja, and Director Carol Rogers, RN	
234-237	1. Draft Meeting Minutes – June 09, 2020	Information
238-248	2. Funding Requests	Information
249	3. Grant Payment Schedule	Information
	4. Regional Access Project Foundation Collaborative Update	Information
250-271	5. Consideration to approve Grant # 1124 University of California, Riverside (UCR) – COVID-19 Testing and Public Health Education for Farm Working Communities in the Eastern Coachella Valley – \$149,976	Action
	2. FINANCE, LEGAL, ADMINISTRATION & REAL ESTATE COMMITTEE – Chair/Treasurer Mark Matthews, President Leticia De Lara, and Director Arthur Shorr	
272-274	1. Meeting Minutes – June 09, 2020	Information
275-290	2. Service Agreement Addendum - Rauch Communications Consultants Inc. – Board & CEO Roles and Relationships Workshops, NTE \$44,400	Action
	3. BOARD AND STAFF & COMMUNICATIONS POLICY COMMITTEE – Chair/President De Lara, Director Evett PerezGil, and Director Les Zendle, MD	
291-293	1. Meeting Minutes – June 17, 2020	Information
	I. OLD BUSINESS	
294	1. Coachella Valley Association of Governments (CVAG) CVLINK – Update	Information
	J. NEW BUSINESS	
	1. Report of the Closed Session of the Board of Directors – June 19, 2020	Information
	K. LEGAL	
	L. IMMEDIATE ISSUES AND COMMENTS	
	M. ADJOURNMENT	

If you have any disability which would require accommodation to enable you to participate in this meeting, please email Andrea S. Hayles, Special Assistant to the CEO and Board Relations Officer, at ahayles@dhcd.org or call (760) 323-6110 at least 24 hours prior to the meeting.



**DESERT HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
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Directors Present – Video Conference	District Staff Present – Video Conference	Absent
President Leticia De Lara Vice-President/Secretary Karen Borja Treasurer Mark Matthews Director Carole Rogers, RN Director Evett PerezGil Director Les Zendle, MD Director Arthur Shorr	Conrado E. Bázaga, MD, CEO Chris Christensen, CAO Donna Craig, Chief Program Officer Will Dean, Marketing and Communications Director Alejandro Espinoza, Program Officer and Outreach Director Eric Taylor, Accounting Manager Meghan Kane, Programs and Research Analyst Vanessa Smith, Special Projects and Program Manager Erica Huskey, Administrative and Program Assistant Andrea S. Hayles, Clerk of the Board <u>Legal Counsel</u> Jeff Scott	

AGENDA ITEMS	DISCUSSION	ACTION
A. Call to Order Roll Call	President De Lara called the meeting to order at 5:39 p.m. The Clerk of the Board called the roll with all Directors' present except Director Matthews, who joined the meeting shortly after roll call.	
B. Pledge of Allegiance	President De Lara asked those in attendance to join in the Pledge of Allegiance.	
C. Approval of Agenda	President De Lara asked for a motion to approve the agenda.	#20-71 MOTION WAS MADE by Director Shorr and seconded by Director Rogers to approve the agenda. Motion passed unanimously. AYES – 7 President De Lara, Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zendle, and Director Shorr

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		NOES – 0 ABSENT – 0
D. Public Comment	There were no public comments.	
E. Consent Agenda 1. BOARD MINUTES a. Board of Directors Meeting – April 28, 2020 2. FINANCIALS a. Approval of the March and April 2020 Financial Statements – F&A Approved May 12, 2020 3. LAS PALMAS MEDICAL PLAZA a. Interior Fire Sprinkler Installation – Drawings, Plan Check, and Permits – Estimated Costs \$23,000	President De Lara asked for a motion to approve the consent agenda.	#20-72 MOTION WAS MADE by Director PerezGil and seconded by Director Shorr to approve the consent agenda. Motion passed unanimously. AYES – 7 President De Lara, Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zendle, and Director Shorr NOES – 0 ABSENT – 0
F. Desert Healthcare District CEO Report 1. Association of California Healthcare Districts (ACHD) Certification Update 2. COVID-19 Response Funding of Remaining \$1.2M a. Consideration to approve Grant #1080 – Lift to Rise – \$500,000 Cost Grant Extension Contract	<p>Conrado E. Bázquez, MD, CEO, explained that the District is now certified by the Association of California Healthcare Districts (ACHD), thanking the staff for their work in the certification process. The certification program promotes good governance for Healthcare Districts by creating a core set of accountability and transparency standards.</p> <p>Dr. Bázquez explained the background of the regional economic protection plan and the request for the cost grant extension for the expansion of the economic protection plan.</p>	#20-73 MOTION WAS MADE by Director Rogers and seconded by Director Matthews to approve Grant #1080 – Lift to Rise – \$500,000 Cost Grant Extension Contract for the Expansion of the

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<p>for the Expansion of the Regional Economic Protection Plan Collaborative Fund</p>	<p>Heather Vaikona, Executive Director, Lift to Rise, explained that funds were disbursed to over 3,500 households, and Lift to Rise received over 6,000 applications with 100 volunteers assisting in the efforts.</p> <p>Public Comments were read and provided by the following: Maria Rodriguez Greg Rodriguez, Government Relations and Public Policy Advisor, Office of Supervisor Perez Mariela Ceballos Leslie Martinez, Policy Associate, Leadership Council for Justice and Accountability Joselyn Vargas, Director of External Relations, Lift to Rise, and Thermal resident</p>	<p>Regional Economic Protection Plan Collaborative Fund. Motion passed 6-1. AYES – 6 Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zendle, and Director Shorr NOES – 0 ABSENT – 0 ABSTAIN – 1 President De Lara</p>
<p>b. Consideration to approve a \$150,000 Match to Grantmakers Concerned with Immigrants and Refugees Partnership (GCIR) to support recipients in Coachella Valley</p>	<p>Dr. Barzaga, CEO, described the strategic partnership opportunity with a nonprofit created by several foundations that support the work of immigrants and refugees. Farmworkers represent a significant portion of the Coachella Valley, furthering explaining the partnership with matching dollars and the collaborators. All immigrants will receive \$500 each, and the District can ensure that the funding is available to the residents of the Coachella Valley.</p>	

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	<p>Silvia Paz, Executive Director, Alianza, a recipient to distribute funding to those impacted by COVID-19, described the match with Grantmakers Concerned with Immigrants and Refugees and the recipients of the funds.</p> <p>The Board considered possible violations of AB 2019, even during times of emergency whereas, legal counsel explained that at this time, there are emergency matters that require Board approval and are accepted without a recommendation from the committee. Director Matthews explained that although it is a worthy cause with Grantmakers Concerned with Immigrants and Refugees, the way District funding functions, the grant impacts the entire grant budget, and he will not support the funding.</p> <p>Public Comments were read and provided by the following: Brad Anderson, District Resident Maggie Hamilton, District Resident Megan Beaman-Jacinto, Coachella City Councilmember</p>	<p>#20-74 MOTION WAS MADE by Director Rogers and seconded by Director PerezGil to approve \$150,000 Match to Grantmakers Concerned with Immigrants and Refugees Partnership (GCIRP) and amended to include directing staff to seek reassurances with Alianza that the need, regardless of immigrations status will support recipients in the Coachella Valley. Motion passed 6-1. AYES – 6 President De Lara, Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zandle, and Director Shorr ABSTAIN – 1 Director Matthews</p>
<p>c. Consideration to approve a \$150,000 allocation to Volunteers in Medicine (VIM) Grant</p>	<p>Dr. Bárzaga, CEO, explained the current structure, and vulnerability due to COVID-19 with Volunteers in Medicine, also serving the uninsured</p>	<p>#20-75 MOTION WAS MADE by Vice-President Borja and seconded by Director Matthews to approve to Volunteers in Medicine (VIM) Grant Request for a \$150,000</p>

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	<p>Affairs Officer, Clinicas De Salud del Pueblo, explained that the organization hired additional staff to assist with the need, such as clinic overflow, personal protective equipment, expanded oral health virtual platforms, and drive-thru clinics.</p>	
<p>G. Desert Regional Medical Center CEO Report</p>	<p>Michele Finney, CEO, Desert Care Network, Desert Regional Medical Center, provided an update on the recent activities. The hospital has maintained a stable level with of in-patient COVID-19 or persons under investigation for COVID-19. The complete protocol is in place for COVID, and as the state enters the next phase of reopening the community, onboarding services have returned, offering prescheduled procedures, acute rehab unit, and reintroducing outpatient speech services, physical therapy, operating outpatient imaging, and wound care as a measured approached. The hospital has reduced schedules to accommodate physical distancing for those receiving services and offering current clinical treatments for treating COVID-19. The procurement of a million-dollar capital request for expansion of telemonitoring and anesthetic machines in the operating room was moved forward. The hospital has entered an agreement with Loma Linda Medical</p>	

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	<p>University Medical Center for pediatric hospitalist services. Lastly, the completion of the ER remodel is on schedule for concluding in mid-June while fully operational.</p>	
<p>H. Program Committee</p> <ol style="list-style-type: none"> 1. Draft Meeting Minutes – May 12, 2020 2. Letters of Intent and Other Funding Requests 3. Grants Payment Schedule 4. Regional Access Project Foundation Collaborative Fund Update 5. Consideration to approve Grant #1085 – Olive Crest Treatment Center: General Support for Mental Health Services to Vulnerable Children and Families in the Coachella Valley – \$50,000 6. Consideration to approve Grant #1057 – Desert Cancer Foundation: Patient Assistance Program – 	<p>Dr. Bárzaga provided an overview of the May 12, Program Committee meeting minutes, the letters of intent, funding requests, and the grants payment schedule.</p> <p>Dr. Bárzaga described the Regional Access Project Foundation’s (RAP) collaborative, the initial funding, and the second round of funding as illustrated in the staff report.</p> <p>Donna Craig, Chief Program Officer, provided an overview of the \$50,000 grant request from Olive Crest Treatment Center for general support and mental health services to vulnerable children and families in the Coachella Valley.</p> <p>Donna Craig, Chief Program Officer, described the Desert Cancer Foundation’s grant request for \$150,000 with the</p>	<p>#20-76 MOTION WAS MADE by Director Zendle and seconded by Director Matthews to approve Grant #1085 – Olive Crest Treatment Center: General Support for Mental Health Services to Vulnerable Children and Families in Coachella Valley – \$50,000 Motion passed unanimously. AYES – 7 President De Lara, Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zendle, and Director Shorr NOES – 0 ABSENT – 0</p> <p>#20-77 MOTION WAS MADE by Vice-President Borja and seconded by Director Matthews to approve Grant #1057 – Desert Cancer</p>

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<p>\$150,000</p> <p>7. Coachella Valley Association of Governments (CVAG) Cooling Centers – Consideration to approve a \$20,000 reserve fund for incidental expenses of the Overnight Cooling Centers</p> <p>I. Strategic Planning Committee</p> <p>1. Draft Meeting Minutes – May 13, 2020</p> <p>2. Non-Profit Organizations COVID-19 Community Survey Results</p>	<p>patient assistance program as recommended by the Program Committee.</p> <p>Dr. Bárzaga, CEO, explained the report for Greg Rodriguez’s request for a \$20,000 reserve of the cooling centers for incidental expenses, also explaining last year’s support of the Cooling Centers by the District.</p> <p>Greg Rodriguez, Government Affairs and Public Policy Advisor, Office of Supervisor Perez, explained the success of the program last year, and this year, the county general fund is not available, so other opportunities are underway, such as with the CARES ACT and other options.</p> <p>Director Zendle explained the minutes of the May 13, Strategic Planning Committee meeting, which includes a community survey and organizations impacted by COVID-19, leading into other strategic ideas, presenting Dr. Bárzaga to provide the recommendations.</p>	<p>Foundation – Patient Assistance Program - \$150k. Motion passed unanimously. AYES – 7 President De Lara, Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zendle, and Director Shorr NOES – 0 ABSENT – 0</p> <p>#20-77 MOTION WAS MADE by Director Zendle and seconded by Director Shorr to approve a \$20,000 fund for incidental expenses of Overnight Cooling Centers Motion passed unanimously. AYES – 7 President De Lara, Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zendle, and Director Shorr NOES – 0 ABSENT – 0</p>
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<p>2. Discussions and Recommendations for Grantmaking</p> <p>3. Trends in FY 20-21 Equity, Fairness, Transparency, and Accountability in Grantmaking</p>	<p>Dr. Bárzaga, CEO, highlighted the important aspects of the COVID-19 community survey, such as high dependency on grant revenue, and all organizations surveyed impacted by COVID-19. Most organizations have received some form of funding, further describing the \$4M allocation recommendations in pockets from the grantmaking program, allocating additional funds to the Foundation, and outlining the trends for equity, fairness, transparency, and accountability in the District’s grantmaking.</p> <p>Director Zendle explained that the recommendations from the committee as an interim period between the 3-year strategic goals and this year, and the next set of strategic goals to prepare the budget for the coming year. It should be viewed as an interim proposal, and the Board will have plenty of time to review the community health needs assessment at the end of the year to reprioritize for the next 3 years.</p> <p>The committee discussed housing and homelessness, and President De Lara explained that staff has identified the key areas to address transparency and accountability, and she hopes that the Board will adopt the recommendations as an</p>	
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	<p>interim strategic plan. The funding goals could be modified, and there is flexibility, with a formal action to adopt the key areas for the coming year, as opposed to informational.</p>	
<p>I. Legal Comments and Reports</p> <p>1. AB 2019 Impact on Grantmaking</p> <p>2. District-wide Resolution for Eastern Coachella Valley Funding</p> <p>a. Consideration to approve Resolution #20-02 for District-wide funding of the Coachella Valley</p>	<p>Jeff Scott, Legal Counsel, described his legislative report explaining the governor’s budget and the cuts for the next few years.</p> <p>The restrictions of AB 2019 related to the Foundation, legally only applies to California Healthcare Districts, and not funds generated by a 501 (c)(3), but any funds transferred to the Foundation are still restricted by AB 2019.</p> <p>Jeff Scott, Legal Counsel, explained that Resolution 20-02 formalizes the District’s work in the East with millions of dollars spent throughout the District in property taxes to benefit the residents of the District.</p> <p>Director Matthews explained that he supports the expansion to the east, but he is not supporting the resolution because the taxpayers in the west are spending from the west, the resolution will deplete the money we have now, seismic and Tenet termination assets</p>	<p>#20-78 MOTION WAS MADE by Director Zendle and seconded by President De Lara to approve Resolution #20-02 for District-wide funding of the Coachella Valley Motion passed 6-1. AYES – 6 President De Lara, Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zendle, and Director Shorr NOES – 1 Director Matthews ABSENT – 0</p>

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	<p>are an issue, and a study session for educational purposes of district-wide funding is necessary.</p> <p>Greg Rodriguez, Government Affairs and Public Policy, Officer of Supervisor Perez, supports the discretion of the District to fund the Coachella Valley District-wide.</p>	
<p>J. F&A</p> <ol style="list-style-type: none"> 1. Meeting Minutes – May 12, 2020 2. Desert Hospital Investment Portfolios, Highmark Capital Management – March 31, 2020 3. FY 2020-2021 Annual Budget Review and Consideration for Approval 	<p>Director Matthews explained that the minutes of the meeting are in the packet and provided an overview of the investment plan.</p> <p>Director Matthews provided an overview of the FY 20-21 annual budget in the packet for review.</p> <p>The directors discussed the budget considering the economic downturn and potential tax reductions.</p>	<p>#20-79 MOTION WAS MADE by Director Zendle and seconded by Director Matthews approved the FY 2020-2021 Annual Budget. Motion passed unanimously. AYES – 7 President De Lara, Vice-President Borja, Director Matthews, Director Rogers, Director PerezGil, Director Zendle, and Director Shorr NOES – 0 ABSENT – 0</p>
<p>K. Old Business</p> <ol style="list-style-type: none"> 1. Coachella Valley Association of Governments (CVAG) – CV Link Project Q1 Report 	<p>Chris Christensen, CAO, explained that the Q1 CV Link report is included in the packet, and Coachella Valley Association of Governments (CVAG) has submitted a grant payment request for \$1.2M.</p>	

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BOARD OF DIRECTORS MEETING MINUTES
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	<p>Director PerezGil inquired on an updated CVLINK budget for the guardrails and restrooms, and if the revised plans and budget have been presented to the District.</p> <p>The Board suggested that staff set up a meeting with CVAG to explain the specifics and inquire about updated financials.</p>	
L. Immediate Issues and Comments	There were no immediate issues and comment.	
M. Adjournment	President De Lara adjourned the meeting at 9:30 p.m.	<p>Audio recording available on the website at http://dhcd.org/Agendas-and-Documents</p>

ATTEST: _____
 Karen Borja, Vice-President/Secretary
 Desert Healthcare District Board of Directors

Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board



**DESERT HEALTHCARE DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS
MEETING MINUTES
May 23, 2020**

Directors Present	District Staff Present	Absent
President Leticia De Lara Vice-President/Secretary Karen Borja Treasurer Mark Matthews Director Carlole Rogers, RN Director Evett PerezGil Director Les Zendle, MD Director Arthur Shorr	Conrado E. Bázaga, MD, CEO <u>Legal Counsel</u> Jeff Scott	

AGENDA ITEMS	DISCUSSION	ACTION
A. Call to Order	President Zendle called the meeting to order at 4:30 p.m.	
Roll Call	Legal Counsel, Jeff Scott called the roll with all Directors present.	
B. Approval of Agenda	President De Lara asked for a motion to approve the agenda.	
C. Public Comment	No public comment.	
D. Convene to Closed Session of the Desert Healthcare District Board of Directors 1. PURSUANT TO GOVERNMENT CODE 54957: Public Employee Evaluation pursuant to Government Code 54957 Title: Chief Executive Officer		
E. Reconvene to Open Session of the Desert Healthcare District Board of Directors		
F. Report After Closed Session	The Board in closed session continued the review of the CEO's self-evaluation, and no action was taken.	
G. Adjournment	President De Lara adjourned the meeting at 5:30 p.m.	<i>Audio recording available on the website at http://dhcd.org/Agenda-Board-of-Directors</i>



**DESERT HEALTHCARE DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS
MEETING MINUTES
May 23, 2020**

ATTEST: _____
Karen Borja, Vice-President/Secretary
Desert Healthcare District Board of Directors

Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board

DRAFT

DESERT HEALTHCARE DISTRICT
MAY 2020 FINANCIAL STATEMENTS
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**DESERT HEALTHCARE DISTRICT
YEAR TO DATE VARIANCE ANALYSIS
ACTUAL VS BUDGET
ELEVEN MONTHS ENDED MAY 31, 2020**

Scope: \$25,000 Variance per Statement of Operations Summary

Account	YTD		Over(Under)	Explanation
	Actual	Budget	Budget	
4000 - Income	\$ 8,473,139	\$ 7,546,693	\$ 926,446	Higher interest income (net) from FRF investments \$917k; unbudgeted grant contributions \$50k; lower NEOPB Grant Income \$41k
4500 - LPMP	\$ 1,032,332	\$ 1,121,750	\$ (89,418)	Lower income due to vacant units and COVID-19 rent deferral
5000 - Direct Expenses	\$ 853,422	\$ 1,076,605	\$ (223,183)	Lower wage related expenses \$132k due to open positions; lower health insurance related expenses \$26k; lower retirement related expenses \$18k; higher education expenses 8k; lower Board related expenses \$55k
6000-General & Admin Expense	\$ 447,636	\$ 473,902	\$ (26,266)	Lower computer services expense \$20k; lower LAFCO expense \$17k; higher travel expenses \$10k; higher personnel expenses \$10k; higher dues and membership expenses \$8k; lower depreciation expense \$6k; higher supplies expense \$6k; lower bank fees \$5k; lower various \$12k
6445 - LPMP Expense	\$ 888,319	\$ 1,056,345	\$ (168,026)	Lower landscaping expenses \$140k; lower depreciation expenses \$13k; lower marketing expenses \$12k; lower utilities expenses \$11k; lower repair expenses \$8k; higher insurance expenses \$9k; higher security expenses \$7k
6500 - Professional Fees Expense	\$ 550,119	\$ 1,086,228	\$ (536,109)	Lower Professional Services \$436k; lower PR & Communications \$35k; lower Legal \$65k
7000 - Grants Expense	\$ 3,013,704	\$ 3,300,462	\$ (286,758)	Budget of \$3.5 Million for fiscal year is amortized straight-line over 12-month fiscal year.

Desert Healthcare District
Cumulative Profit & Loss Budget vs. Actual
 July 2019 through May 2020

	MONTH			TOTAL		
	May 20	Budget	\$ Over Budget	Jul '19 - May 20	Budget	\$ Over Budget
Income						
4000 · Income	608,149	686,063	(77,914)	8,473,139	7,546,693	926,446
4500 · LPMP Income	42,700	102,400	(59,700)	1,032,332	1,121,750	(89,418)
4501 · Miscellaneous Income	(49,250)	950	(50,200)	8,250	10,450	(2,200)
Total Income	601,599	789,413	(187,814)	9,513,721	8,678,893	834,828
Expense						
5000 · Direct Expenses	127,157	97,268	29,889	853,422	1,076,605	(223,183)
6000 · General & Administrative Exp	37,191	43,082	(5,891)	447,636	473,902	(26,266)
6325 · CEO Discretionary Fund		417	(417)	4,297	4,587	(290)
6445 · LPMP Expenses	76,217	82,395	(6,178)	888,319	1,056,345	(168,026)
6500 · Professional Fees Expense	1,348	98,748	(97,400)	550,119	1,086,228	(536,109)
6700 · Trust Expenses	10,456	10,709	(253)	122,613	121,021	1,592
Total Expense	252,369	332,819	(80,250)	2,866,406	3,818,688	(952,282)
7000 · Grants Expense	1,043,206	300,042	743,164	3,013,704	3,300,462	(286,758)
Net Income	(693,976)	156,752	(850,728)	3,633,630	1,559,743	2,073,887

Desert Healthcare District
Cumulative Profit & Loss Budget vs. Actual
 July 2019 through May 2020

	MONTH			TOTAL		
	May 20	Budget	\$ Over Budget	Jul '19 - May 20	Budget	\$ Over Budget
Income						
4000 · Income						
4010 · Property Tax Revenues	561,355	561,355	0	6,174,905	6,174,905	0
4025 · Contributions	50,000	0	50,000	50,000	0	50,000
4200 · Interest Income						
4220 · Interest Income (FRF)	48,086	106,250	(58,164)	1,057,598	1,168,750	(111,152)
9999-1 · Unrealized gain(loss) on invest	(56,247)	8,333	(64,580)	1,119,961	91,663	1,028,298
Total 4200 · Interest Income	(8,161)	114,583	(122,744)	2,177,559	1,260,413	917,146
4300 · DHC Recoveries	1,749	1,750	(1)	19,400	19,250	150
4400 · Grant Income	3,206	8,375	(5,169)	51,275	92,125	(40,850)
Total 4000 · Income	608,149	686,063	(77,914)	8,473,139	7,546,693	926,446
4500 · LPMP Income	42,700	102,400	(59,700)	1,032,332	1,121,750	(89,418)
4501 · Miscellaneous Income	(49,250)	950	(50,200)	8,250	10,450	(2,200)
Total Income	601,599	789,413	(187,814)	9,513,721	8,678,893	834,828
Expense						
5000 · Direct Expenses						
5100 · Administration Expense						
5110 · Wages Expense	115,779	88,000	27,779	782,987	986,230	(203,243)
5111 · Allocation to LPMP - Payroll	(5,085)	(5,084)	(1)	(55,935)	(55,924)	(11)
5112 · Vacation/Sick/Holiday Expense	9,381	7,500	1,881	119,606	82,500	37,106
5114 · Allocation to Foundation	(25,473)	(25,473)	0	(280,203)	(280,203)	0
5115 · Allocation to NEOPB	(3,206)	(7,289)	4,083	(48,147)	(80,179)	32,032
5119 · Allocation to RSS/CVHIP-DHCF	(1,569)	(2,382)	813	(19,749)	(26,202)	6,453
5120 · Payroll Tax Expense	9,354	6,732	2,622	71,560	75,448	(3,888)
5130 · Health Insurance Expense						
5131 · Premiums Expense	14,135	13,012	1,123	124,108	138,338	(14,230)
5135 · Reimb./Co-Payments Expense	248	2,250	(2,002)	12,462	24,750	(12,288)
Total 5130 · Health Insurance Expense	14,383	15,262	(879)	136,570	163,088	(26,518)
5140 · Workers Comp. Expense	619	1,078	(459)	10,839	10,664	175
5145 · Retirement Plan Expense						
5146 · Retirement Plan - Forfeiture	1,053			(17,366)		
5145 · Retirement Plan Expense - Other	8,654	5,807	2,847	56,735	56,896	(161)
Total 5145 · Retirement Plan Expense	9,707	5,807	3,900	39,369	56,896	(17,527)
5160 · Education Expense	(25)	625	(650)	14,484	6,875	7,609
Total 5100 · Administration Expense	123,865	84,776	39,089	771,381	939,193	(167,812)
5200 · Board Expenses						
5210 · Healthcare Benefits Expense	416	5,834	(5,418)	43,599	64,174	(20,575)
5230 · Meeting Expense	146	1,667	(1,521)	12,771	18,337	(5,566)
5235 · Director Stipend Expense	2,730	4,200	(1,470)	19,670	46,200	(26,530)
5240 · Catering Expense		583	(583)	4,825	6,413	(1,588)
5250 · Mileage Reimbursement Expense		208	(208)	1,176	2,288	(1,112)
Total 5200 · Board Expenses	3,292	12,492	(9,200)	82,041	137,412	(55,371)
Total 5000 · Direct Expenses	127,157	97,268	29,889	853,422	1,076,605	(223,183)
6000 · General & Administrative Exp						
6110 · Payroll fees Expense	65	208	(143)	1,905	2,288	(383)
6120 · Bank and Investment Fees Exp	9,919	9,833	86	103,295	108,163	(4,868)
6125 · Depreciation Expense		1,250	(1,250)	7,973	13,750	(5,777)

Desert Healthcare District
Cumulative Profit & Loss Budget vs. Actual
 July 2019 through May 2020

	MONTH			TOTAL		
	May 20	Budget	\$ Over Budget	Jul '19 - May 20	Budget	\$ Over Budget
6126 · Depreciation-Solar Parking lot	15,072	15,072	0	165,792	165,792	0
6130 · Dues and Membership Expense	1,940	2,500	(560)	35,715	27,500	8,215
6200 · Insurance Expense	1,753	1,500	253	19,733	16,500	3,233
6300 · Minor Equipment Expense		42	(42)		462	(462)
6305 · Auto Allowance & Mileage Exp	692	600	92	4,156	6,600	(2,444)
6306 · Staff- Auto Mileage reimb	106	500	(394)	4,987	5,500	(513)
6309 · Personnel Expense	650	83	567	10,823	913	9,910
6310 · Miscellaneous Expense		42	(42)		83	(379)
6311 · Cell Phone Expense	371	776	(405)	4,777	8,536	(3,759)
6312 · Wellness Park Expenses		83	(83)		913	(913)
6315 · Security Monitoring Expense		42	(42)	432	462	(30)
6340 · Postage Expense	502	417	85	1,508	4,587	(3,081)
6350 · Copier Rental/Fees Expense	394	458	(64)	4,048	5,038	(990)
6351 · Travel Expense		917	(917)	18,376	10,087	8,289
6352 · Meals & Entertainment Exp		583	(583)	7,976	6,413	1,563
6355 · Computer Services Expense	1,290	3,775	(2,485)	21,545	41,525	(19,980)
6360 · Supplies Expense	284	1,667	(1,383)	23,881	18,337	5,544
6380 · LAFCO Assessment Expense	153	1,667	(1,514)	1,683	18,337	(16,654)
6400 · East Valley Office	4,000	1,067	2,933	8,950	11,737	(2,787)
Total 6000 · General & Administrative Exp	37,191	43,082	(5,891)	447,636	473,902	(26,266)
6325 · CEO Discretionary Fund		417	(417)	4,297	4,587	(290)
6445 · LPMP Expenses	76,217	82,395	(6,178)	888,319	1,056,345	(168,026)
6500 · Professional Fees Expense						
6516 · Professional Services Expense	(17,488)	70,000	(87,488)	333,902	770,000	(436,098)
6520 · Annual Audit Fee Expense	1,563	1,540	23	17,193	16,940	253
6530 · PR/Communications/Website	6,923	7,208	(285)	44,133	79,288	(35,155)
6560 · Legal Expense	10,350	20,000	(9,650)	154,891	220,000	(65,109)
Total 6500 · Professional Fees Expense	1,348	98,748	(97,400)	550,119	1,086,228	(536,109)
6700 · Trust Expenses						
6711 · Disability Admin. Fee Expense					3,222	(3,222)
6720 · Pension Plans Expense						
6721 · Legal Expense		167	(167)		1,837	(1,837)
6725 · RPP Pension Expense	10,000	10,000	0	110,000	110,000	0
6728 · Pension Audit Fee Expense	456	542	(86)	12,613	5,962	6,651
Total 6700 · Trust Expenses	10,456	10,709	(253)	122,613	121,021	1,592
Total Expense Before Grants	252,369	332,619	(80,250)	2,866,406	3,818,688	(952,282)
7000 · Grants Expense						
7010 · Major Grant Awards Expense	1,040,000	291,667	748,333	2,962,429	3,208,337	(245,908)
7027 · Grant Exp - NEOPB	3,206	8,375	(5,169)	51,275	92,125	(40,850)
Total 7000 · Grants Expense	1,043,206	300,042	743,164	3,013,704	3,300,462	(286,758)
Net Income	(693,976)	156,752	(850,728)	3,633,630	1,559,743	2,073,887

Las Palmas Medical Plaza
Cumulative Profit & Loss Budget vs. Actual
 July 2019 through May 2020

	MONTH			TOTAL		
	May 20	Budget	\$ Over Budget	Jul '19 - May 20	Budget	\$ Over Budget
Income						
4500 · LPMP Income						
4505 · Rental Income	31,259	73,500	(42,241)	744,723	805,950	(61,227)
4510 · CAM Income	11,441	28,900	(17,459)	287,609	315,500	(27,891)
4513 · Misc. Income					300	(300)
Total 4500 · LPMP Income	42,700	102,400	(59,700)	1,032,332	1,121,750	(89,418)
Expense						
6445 · LPMP Expenses						
6420 · Insurance Expense	1,879	1,083	796	20,669	11,913	8,756
6425 · Building - Depreciation Expense	21,700	21,667	33	236,756	238,337	(1,581)
6426 · Tenant Improvements -Dep Exp	15,728	17,083	(1,355)	177,206	187,913	(10,707)
6427 · HVAC Maintenance Expense	413	1,333	(920)	10,437	14,663	(4,226)
6428 · Roof Repairs Expense		208	(208)		2,288	(2,288)
6431 · Building -Interior Expense		833	(833)	1,600	9,163	(7,563)
6432 · Plumbing -Interior Expense	2,578	333	2,245	7,510	3,663	3,847
6433 · Plumbing -Exterior Expense		208	(208)		2,288	(2,288)
6434 · Allocation Internal Prop. Mgmt	5,085	5,084	1	55,935	55,924	11
6435 · Bank Charges	959	1,042	(83)	12,148	11,462	686
6437 · Utilities -Vacant Units Expense	116	208	(92)	719	2,288	(1,569)
6439 · Deferred Maintenance Repairs Ex		500	(500)	12,640	5,500	7,140
6440 · Professional Fees Expense	10,117	10,472	(355)	118,787	115,192	3,595
6441 · Legal Expense		83	(83)		913	(913)
6458 · Elevators - R & M Expense	224	1,000	(776)	8,311	11,000	(2,689)
6460 · Exterminating Service Expense	30	417	(387)	2,315	4,587	(2,272)
6463 · Landscaping Expense		833	(833)	19,842	159,163	(139,321)
6467 · Lighting Expense		833	(833)	2,250	9,163	(6,913)
6468 · General Maintenance Expense		83	(83)		913	(913)
6471 · Marketing-Advertising		1,417	(1,417)	4,096	15,587	(11,491)
6475 · Property Taxes Expense	6,000	6,008	(8)	66,000	66,088	(88)
6476 · Signage Expense		125	(125)	497	1,375	(878)
6480 · Rubbish Removal Medical Waste E	1,514	1,442	72	17,035	15,862	1,173
6481 · Rubbish Removal Expense	2,228	2,250	(22)	24,497	24,750	(253)
6482 · Utilities/Electricity/Exterior	465	625	(160)	4,857	6,875	(2,018)
6484 · Utilities - Water (Exterior)	381	708	(327)	4,879	7,788	(2,909)
6485 · Security Expenses	6,800	6,417	383	77,711	70,587	7,124
6490 · Miscellaneous Expense		100	(100)	1,622	1,100	522
6445 · LPMP Expenses	76,217	82,395	(6,178)	888,319	1,056,345	(168,026)
Net Income	(33,517)	20,005	(53,522)	144,013	65,405	78,608

Desert Healthcare District
Balance Sheet
As of May 31, 2020

	May 31, 20
ASSETS	
Current Assets	
Checking/Savings	
1000 · CHECKING CASH ACCOUNTS	2,941,159
1100 · INVESTMENT ACCOUNTS	58,792,009
Total Checking/Savings	61,733,168
Accounts Receivable	60,155
Other Current Assets	
1270 · Prepaid Insurance -Ongoing	65,692
1279 · Pre-Paid Fees	8,686
1281 · NEOPB Receivable	13,423
1295 · Property Tax Receivable	1,862,874
Total Other Current Assets	1,950,675
Total Current Assets	63,743,997
Fixed Assets	
1300 · FIXED ASSETS	4,913,164
1335-00 · ACC DEPR	(2,004,766)
1400 · LPMP Assets	6,872,015
Total Fixed Assets	9,780,413
Other Assets	
1700 · OTHER ASSETS	2,867,136
TOTAL ASSETS	76,391,547
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	20,411
2001 · LPMP Accounts Payable	7,521
Total Accounts Payable	27,932
Other Current Liabilities	
2002 · LPMP Property Taxes	(4,924)
2131 · Grant Awards Payable	6,608,655
2133 · Accrued Accounts Payable	138,550
2141 · Accrued Vacation Time	44,173
2188 · Current Portion - LTD	1,234
2190 · Investment Fees Payable	11,401
Total Other Current Liabilities	6,799,089
Total Current Liabilities	6,827,021

Desert Healthcare District
Balance Sheet
As of May 31, 2020

		May 31, 20
	Long Term Liabilities	
	2170 · RPP - Pension Liability	3,505,623
	2171 · RPP-Deferred Inflows-Resources	1,643,743
	2280 · Long-Term Disability	40,626
	2281 · Grants Payable - Long-term	5,400,000
	2286 · Retirement BOD Medical Liabilit	71,587
	2290 · LPMP Security Deposits	61,962
	Total Long Term Liabilities	10,723,540
	Total Liabilities	17,550,561
	Equity	
	3900 · *Retained Earnings	55,207,356
	Net Income	3,633,630
	Total Equity	58,840,986
	TOTAL LIABILITIES & EQUITY	76,391,547

Desert Healthcare District
Balance Sheet
As of May 31, 2020

	May 31, 20
ASSETS	
Current Assets	
Checking/Savings	
1000 · CHECKING CASH ACCOUNTS	
1010 · Union Bank - Checking	2,668,769
1046 · Las Palmas Medical Plaza	271,890
1047 · Petty Cash	500
Total 1000 · CHECKING CASH ACCOUNTS	2,941,159
1100 · INVESTMENT ACCOUNTS	
1130 · Facility Replacement Fund	57,278,892
1135 · Unrealized Gain(Loss) FRF	1,513,117
Total 1100 · INVESTMENT ACCOUNTS	58,792,009
Total Checking/Savings	61,733,168
Accounts Receivable	
1201 · Accounts Receivable	
1204 · LPMP Accounts Receivable	(2,194)
1205 · Misc. Accounts Receivable	7,927
1211 · A-R Foundation - Exp Allocation	54,422
Total Accounts Receivable	60,155
Other Current Assets	
1270 · Prepaid Insurance -Ongoing	65,692
1279 · Pre-Paid Fees	8,686
1281 · NEOPB Receivable	13,423
1295 · Property Tax Receivable	1,862,874
Total Other Current Assets	1,950,675
Total Current Assets	63,743,997
Fixed Assets	
1300 · FIXED ASSETS	
1310 · Computer Equipment	94,034
1315 · Computer Software	68,770
1320 · Furniture and Fixtures	33,254
1325 · Offsite Improvements	300,849
1331 · DRMC - Parking lot	4,416,257
Total 1300 · FIXED ASSETS	4,913,164

Desert Healthcare District
Balance Sheet
As of May 31, 2020

		May 31, 20
1335-00 · ACC DEPR		
	1335 · Accumulated Depreciation	(210,452)
	1336 · Acc. Software Depreciation	(68,770)
	1337 · Accum Deprec- Solar Parking Lot	(1,582,731)
	1338 · Accum Deprec - LPMP Parking Lot	(142,813)
Total 1335-00 · ACC DEPR		(2,004,766)
1400 · LPMP Assets		
	1401 · Building	8,705,680
	1402 · Land	2,165,300
	1403 · Tenant Improvements -New	2,168,677
	1404 · Tenant Improvements - CIP	129,550
	1406 · Building Improvements	
	1406.1 · LPMP-Replace Parking Lot	676,484
	1406 · Building Improvements - Other	1,575,296
	Total 1406 · Building Improvements	2,251,780
	1407 · Building Equipment Improvements	364,891
	1409 · Accumulated Depreciation	
	1410 · Accum. Depreciation	(7,389,240)
	1412 · T I Accumulated Dep.-New	(1,524,624)
	Total 1409 · Accumulated Depreciation	(8,913,864)
	Total 1400 · LPMP Assets	6,872,015
	Total Fixed Assets	9,780,413
Other Assets		
	1700 · OTHER ASSETS	
	1731 · Wellness Park	1,693,800
	1740 · RPP-Deferred Outflows-Resources	1,159,189
	1741 · OPEB-Deferred Outflows-Resourc	14,147
	Total Other Assets	2,867,136
	TOTAL ASSETS	76,391,547

Desert Healthcare District
Balance Sheet
As of May 31, 2020

		May 31, 20
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 · Accounts Payable		20,411
2001 · LPMP Accounts Payable		7,521
Total Accounts Payable		27,932
Other Current Liabilities		
2002 · LPMP Property Taxes		(4,924)
2131 · Grant Awards Payable		6,608,655
2133 · Accrued Accounts Payable		138,550
2141 · Accrued Vacation Time		44,173
2188 · Current Portion - LTD		1,234
2190 · Investment Fees Payable		11,401
Total Other Current Liabilities		6,799,089
Total Current Liabilities		6,827,021
Long Term Liabilities		
2170 · RPP - Pension Liability		3,505,623
2171 · RPP-Deferred Inflows-Resources		1,643,743
2280 · Long-Term Disability		40,626
2281 · Grants Payable - Long-term		5,400,000
2286 · Retirement BOD Medical Liabilit		71,587
2290 · LPMP Security Deposits		61,962
Total Long Term Liabilities		10,723,540
Total Liabilities		17,550,561
Equity		
3900 · *Retained Earnings		55,207,356
Net Income		3,633,630
Total Equity		58,840,986
TOTAL LIABILITIES & EQUITY		76,391,547

Desert Healthcare District
A/R Aging Summary
As of May 31, 2020

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	COMMENT
Desert Healthcare Foundation-	27,042	0	27,380	0	0	54,422	Due from Foundation
Hassan Bencheqroun, M.D.	0	2,580	0	0	0	2,580	Slow pay
Laboratory Corporation of America	0	(4,774)	0	0	0	(4,774)	Prepaid
Mark Matthews	0	3,749	0	1,927	0	5,677	Director Premiums-paid June
Sovereign	750	0	750	750	0	2,250	Slow pay
TOTAL	27,792	1,556	28,130	2,677	0	60,155	

Desert Healthcare District
Deposit Detail
 May 2020

Type	Date	Name	Amount
Deposit	05/01/2020		750
Payment	05/01/2020	Sovereign	(750)
TOTAL			(750)
Deposit	05/01/2020		275,485
Payment	05/01/2020	Desert Healthcare Foundation-	(275,485)
TOTAL			(275,485)
Deposit	05/04/2020		1,749
		T-Mobile	(1,749)
TOTAL			(1,749)
Deposit	05/07/2020		55,260
		Riverside County Treasurer-CalFresh	(5,260)
Payment	05/07/2020	Regional Access Project Foundation-Matching Grant Contribution	(50,000)
TOTAL			(55,260)
Deposit	05/11/2020		14,173
		Riverside County Treasurer-Property Tax	(14,173)
TOTAL			(14,173)
Deposit	05/15/2020		67,455
		Riverside County Treasurer-Property Tax	(67,455)
TOTAL			(67,455)
Deposit	05/28/2020		19,991
		Riverside County Treasurer-Property Tax	(19,991)
TOTAL			(19,991)
		TOTAL	434,863

**DESERT HEALTHCARE DISTRICT
PROPERTY TAX RECEIPTS FY 2019 - 2020
RECEIPTS - TWELVE MONTHS ENDED JUNE 30, 2020**

	FY 2018-2019 Projected/Actual					FY 2019-2020 Projected/Actual				
	Budget %	Budget \$	Act %	Actual Receipts	Variance	Budget %	Budget \$	Act %	Actual Receipts	Variance
July	2.5%	\$ 165,105	1.3%	\$ 87,106	\$ (77,998)	2.5%	\$ 168,407	0.0%	\$ -	\$ (168,407)
Aug	1.6%	\$ 105,667	1.3%	\$ 88,674	\$ (16,993)	1.6%	\$ 107,780	3.1%	\$ 207,292	\$ 99,512
Sep	2.6%	\$ 171,709	2.4%	\$ 155,626	\$ (16,083)	2.6%	\$ 175,143	0.0%	\$ -	\$ (175,143)
Oct	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	2.4%	\$ 158,895	\$ 158,895
Nov	0.4%	\$ 26,417	0.0%	\$ -	\$ (26,417)	0.4%	\$ 26,945	0.0%	\$ -	\$ (26,945)
Dec	16.9%	\$ 1,116,106	17.8%	\$ 1,177,161	\$ 61,054	16.9%	\$ 1,138,429	18.2%	\$ 1,222,723	\$ 84,294
Jan	31.9%	\$ 2,106,733	19.7%	\$ 1,299,278	\$ (807,456)	31.9%	\$ 2,148,868	33.1%	\$ 2,228,697	\$ 79,829
Feb	0.0%	\$ -	13.9%	\$ 918,846	\$ 918,846	0.0%	\$ -	1.0%	\$ 69,468	\$ 69,468
Mar	0.3%	\$ 19,813	0.7%	\$ 44,532	\$ 24,719	0.3%	\$ 20,209	1.1%	\$ 71,486	\$ 51,277
Apr	5.5%	\$ 363,230	5.9%	\$ 392,745	\$ 29,515	5.5%	\$ 370,495	6.0%	\$ 405,506	\$ 35,012
May	19.9%	\$ 1,314,232	20.3%	\$ 1,341,271	\$ 27,039	19.9%	\$ 1,340,517	1.5%	\$ 101,619	\$ (1,238,897)
June	18.4%	\$ 1,215,169	22.3%	\$ 1,470,000	\$ 254,830	18.4%	\$ 1,239,473	0.0%		
Total	100%	\$ 6,604,180	105.6%	\$ 6,975,238	\$ 371,058	100.00%	\$ 6,736,264	66.3%	\$ 4,465,686	\$ (1,031,105)

**Las Palmas Medical Plaza
Deposit Detail - LPMP
May 2020**

Type	Date	Name	Amount
Deposit	05/01/2020		7,412
Payment	05/01/2020	Steven Gundry, M.D.	(5,235)
Payment	05/01/2020	Desert Oasis Healthcare Medical Group	(2,177)
TOTAL			(7,412)
Deposit	05/01/2020		3,854
Payment	05/01/2020	Quest Diagnostics Incorporated	(3,854)
TOTAL			(3,854)
Deposit	05/08/2020		3,570
Payment	05/08/2020	Desert Family Medical Center	(3,570)
TOTAL			(3,570)
Deposit	05/11/2020		20,509
Payment	05/11/2020	Derakhsh Fozouni, M.D.	(5,969)
Payment	05/11/2020	Pathway Pharmaceuticals, Inc.	(2,296)
Payment	05/11/2020	Ramy Awad, M.D.	(3,246)
Payment	05/11/2020	Aijaz Hashmi, M.D., Inc.	(2,745)
Payment	05/11/2020	Brad A. Wolfson, M.D.	(3,354)
Payment	05/11/2020	Cure Cardiovascular Consultants	(2,898)
TOTAL			(20,509)
Deposit	05/21/2020		4,774
Payment	05/21/2020	Laboratory Corporation of America	(4,774)
TOTAL			(4,774)
		TOTAL	40,119

Desert Healthcare District
Check Register
As of May 31, 2020

Type	Date	Num	Name	Amount
1000 · CHECKING CASH ACCOUNTS				
1010 · Union Bank - Checking				
Bill Pmt -Check	05/01/2020	15974	HARC, INC.	(14,120)
Bill Pmt -Check	05/01/2020	15975	Ready Refresh	(50)
Bill Pmt -Check	05/01/2020	15976	Shred-It	(102)
Bill Pmt -Check	05/01/2020	15977	So.Cal Computer Shop	(810)
Bill Pmt -Check	05/01/2020	15978	Verizon Wireless	(604)
Bill Pmt -Check	05/01/2020	15979	Zendle, Les-	(420)
Bill Pmt -Check	05/01/2020	15980	Alianza Coachella Valley	(10,000)
Bill Pmt -Check	05/01/2020	15981	Desert Arc	(10,000)
Bill Pmt -Check	05/01/2020	15982	Family Services of the Desert	(5,000)
Bill Pmt -Check	05/01/2020	15983	Hanson House Foundation	(5,000)
Bill Pmt -Check	05/01/2020	15984	United Cerebral Palsy of Inland Empire	(10,000)
Check	05/06/2020	Auto Pay	Calif. Public Employees'Retirement System	(13,876)
Bill Pmt -Check	05/07/2020	15985	Graphtek Interactive	(113)
Bill Pmt -Check	05/07/2020	15987	Jeff Crider	(4,760)
Bill Pmt -Check	05/07/2020	15990	Mangus Accountancy Group, A.P.C.	(500)
Bill Pmt -Check	05/07/2020	15986	Regional Access Project Foundation	(3,450)
Bill Pmt -Check	05/07/2020	15989	Staples Credit Plan	(52)
Bill Pmt -Check	05/07/2020	15988	Xerox Financial Services	(394)
Bill Pmt -Check	05/07/2020	15991	First Bankcard (Union Bank)	(901)
Bill Pmt -Check	05/07/2020	15992	First Bankcard (Union Bank)	(865)
Bill Pmt -Check	05/07/2020	15993	Regional Access Project Foundation	(30)
Bill Pmt -Check	05/08/2020	16007	CV Strategies	(42,340)
Liability Check	05/14/2020		QuickBooks Payroll Service	(39,436)
Bill Pmt -Check	05/14/2020	15994	Coachella Valley Workforce Excellence Inc	(78,750)
Bill Pmt -Check	05/14/2020	15995	HARC, INC.	(89,995)
Bill Pmt -Check	05/14/2020	15996	Jewish Family Service of the Desert	(40,500)
Bill Pmt -Check	05/14/2020	15997	Coachella Valley Workforce Excellence Inc	(78,750)
Bill Pmt -Check	05/19/2020	15998	SDRMA	(59,309)
Bill Pmt -Check	05/19/2020	15999	CoPower Employers' Benefits Alliance	(2,151)
Bill Pmt -Check	05/19/2020	16000	Del Valle Informador Inc.	(1,000)
Bill Pmt -Check	05/19/2020	16001	Maggie Martinez	(2,500)
Bill Pmt -Check	05/19/2020	16002	Rogers, Carole	(945)
Bill Pmt -Check	05/19/2020	16003	State Compensation Insurance Fund	(619)
Bill Pmt -Check	05/19/2020	16004	The Desert Sun	(1,050)
Bill Pmt -Check	05/19/2020	16005	Time Warner Cable	(247)
Bill Pmt -Check	05/19/2020	16006	Will Dean	(106)
Bill Pmt -Check	05/19/2020	16008	Principal Life Insurance Co.	(1,575)

Desert Healthcare District
Check Register
 As of May 31, 2020

Type	Date	Num	Name	Amount
Check	05/26/2020		Bank Service Charge	(919)
Liability Check	05/28/2020		QuickBooks Payroll Service	(39,778)
Bill Pmt -Check	05/28/2020	IB 05282020	Law Offices of Scott & Jackson	(10,350)
TOTAL				(571,367)

Desert Healthcare District
Details for credit card Expenditures
Credit card purchases - April 2020 - Paid May 2020

Number of credit cards held by District personnel -2

Credit Card Limit - \$7,000

Credit Card Holders:

Conrado Bárzaga - Chief Executive Officer

Chris Christensen - Chief Administration Officer

Routine types of charges:

Office Supplies, Dues for membership, Computer Supplies, Meals, Travel including airlines and Hotels, Catering, Supplies for BOD meetings, CEO Discretionary for small grant & gift items

Year	Statement		Expense Type	Amount	Purpose	Description	Participants
	Month Charged	Total Charges					
		\$ 1,766.04					
Chris' Statement:							
2020	April	\$ 865.16	District				
			GL	Dollar	Descr		
			5230	\$ 145.50	Harvey Milk Diversity Breakfast - Lety & Les		
			6309	\$ 520.00	Advertising for Public Policy Analyst position		
			6309	\$ 130.00	Advertising for Public Policy Analyst position		
			6360	\$ 24.00	Teleconference expense		
			6360	\$ 14.99	Zoom Videoconference expense		
			6360	\$ 30.67	Zoom Webinar Expense		
				<u>\$ 865.16</u>			
Conrado's Statement:							
2020	April	\$ 900.88	District				
			GL	Dollar	Descr		
			5160	(\$25.00)	Refund of CSDA Brown Act Training - February 2020		
			6130	\$ 350.00	Guidestar Pro Subscription Access (Monthly)		
			6130	\$ 575.88	Linkedin Business Plus Subscription (Annual)		
				<u>\$ 900.88</u>			

**Las Palmas Medical Plaza
Check Register
As of May 31, 2020**

Type	Date	Num	Name	Amount
1000 - CHECKING CASH ACCOUNTS				
1046 - Las Palmas Medical Plaza				
Bill Pmt -Check	05/01/2020	10176	Imperial Security	(1,700)
Bill Pmt -Check	05/01/2020	10177	INPRO-EMS Construction	(13,717)
Bill Pmt -Check	05/07/2020	10178	Desert Water Agency	(358)
Bill Pmt -Check	05/07/2020	10179	Palm Springs Disposal Services Inc	(2,227)
Bill Pmt -Check	05/07/2020	10180	Roto-Rooter Plumbers	(750)
Bill Pmt -Check	05/07/2020	10181	Stericycle, Inc.	(1,514)
Bill Pmt -Check	05/08/2020	10182	INPRO-EMS Construction	(13,263)
Bill Pmt -Check	05/19/2020	10183	INPRO-EMS Construction	(10,117)
Bill Pmt -Check	05/19/2020	10184	Desert Air Conditioning Inc.	(413)
Bill Pmt -Check	05/19/2020	10185	Frontier Communications	(224)
Bill Pmt -Check	05/19/2020	10186	Imperial Security	(3,400)
Bill Pmt -Check	05/19/2020	10187	Southern California Edison	(581)
Check	05/26/2020		Bank Service Charge	(959)
Bill Pmt -Check	05/31/2020	10192	KC's Plumbing	(1,828)
TOTAL				(51,051)



MEMORANDUM

DATE: June 9, 2020

TO: F&A Committee

RE: Retirement Protection Plan (RPP)

Current number of participants in Plan:

Active – still employed by hospital	101
Vested – no longer employed by hospital	64
Former employees receiving annuity	<u>7</u>
Total	<u>172</u>

The outstanding liability for the RPP is approximately **\$4.1M** (Actives - \$2.7M and Vested - \$1.4M). US Bank investment account balance \$4.4M. Per the June 30, 2019 Actuarial Valuation, the RPP has an Unfunded Pension Liability of approximately **\$3.4M**. A monthly accrual of \$10K is being recorded each month as an estimate for FY2020.

The payouts, excluding monthly annuity payments, made from the Plan for the Eleven (11) months ended May 31, 2020 totaled **\$196K**. Monthly annuity payments (7 participants) total **\$1.0K** per month.

DESERT HEALTHCARE DISTRICT						
OUTSTANDING GRANTS AND GRANT PAYMENT SCHEDULE						
As of 5/31/20						
TWELVE MONTHS ENDED JUNE 30, 2020						
Grant ID Nos.	Name	Approved Grants - Prior Yrs	Current Yr 2019-2020	6/30/2019 Bal Fwd/New	Total Paid July-June	Open BALANCE
2014-MOU-BOD-11/21/13	Memo of Understanding CVAG CV Link Support	\$ 10,000,000		\$ 10,000,000	\$ -	\$ 10,000,000
2015-876-BOD-6-23-15	Arrowhead Neuroscience Fndtn-NeuroInterventional & NeuroCritical Care Fellowship 2 Yr	\$ 373,540		\$ 37,354	\$ 27,522	\$ 9,832
	Unexpended funds of Grant #876 (\$9,832.32 10% Retention)					\$ (9,832)
2016-927-BOD-12-20-16	SafeHouse of the Desert - "What's Up" Crisis Texting Application - 3 Yr	\$ 679,357		\$ 169,839	\$ 144,945	\$ 24,895
	Unexpended funds Grant #927					\$ (24,895)
2017-938-BOD-07-25-17	Mizell Senior Center - A Matter of Balance Phase 2 - 2 Yr	\$ 400,300		\$ 40,030	\$ 2,077	\$ 37,953
	Unexpended funds of Grant #938 (\$37,953 10% Retention)				\$ -	\$ (37,953)
2018-960-BOD-02-27-18	Desert Cancer Foundation - Patient Assistance and Suzanne Jackson Breast Cancer	\$ 200,000		\$ 20,000	\$ 20,000	\$ -
2018-967-BOD-05-22-18	The City of DHS-Public Safety Emergency Response Program - Purchase AEDs	\$ 30,000		\$ 3,000	\$ 710	\$ 2,290
	Unexpended funds of Grant #967 (\$2,290.34 10% Retention)				\$ -	\$ (2,290)
2018-974-BOD-09-25-18	HARC - 2019 Coachella Valley Community Health Survey - 2 Yr	\$ 399,979		\$ 219,989	\$ 179,990	\$ 39,999
2018-980-BOD-10-23-18	Joslyn Wellness Senior Behavioral Health Services Program - 1 Yr	\$ 112,050		\$ 11,205	\$ 11,205	\$ -
2018-981-BOD-10-23-18	Desert Arc Healthcare Program - 1 Yr	\$ 164,738		\$ 16,474	\$ 16,474	\$ (0)
2018-979-BOD-11-27-18	FIND Food Bank - Healthy Food First/Pathways Out of Hunger - 1 Yr	\$ 396,345		\$ 217,989	\$ 171,513	\$ 46,476
	Unexpended funds Grant #979					\$ (39,633)
	Invoiced Grantee for over payment					\$ (6,843)
2019-985-BOD-03-26-19	Coachella Valley Volunteers in Medicine - Primary Healthcare & Support Services - 1 Yr	\$ 121,500		\$ 66,825	\$ 54,675	\$ 12,150
2019-986-BOD-05-28-19	Ronald McDonald House Charities - Temporary Housing & Family Support Services - 1 Yr	\$ 200,000		\$ 200,000	\$ 180,000	\$ 20,000
2019-997-BOD-05-28-19	Martha's Village & Kitchen - Homeless Housing With Wrap Around Services - 1 Yr	\$ 200,896		\$ 110,493	\$ 90,403	\$ 20,090
2019-989-BOD-05-28-19	Pegasus Riding Academy - Cover the Hard Costs of Pegasus Clients - 1 Yr	\$ 109,534		\$ 60,244	\$ 49,290	\$ 10,954
2019-994-BOD-05-28-19	One Future Coachella Valley - Mental Health College & Career Pathway Development - 2 Yr	\$ 700,000		\$ 621,250	\$ 236,250	\$ 385,000
2019-995-BOD-05-28-19	One Future Coachella Valley - HCC Summer Intern at DHCD/F & FIND Food Bank	\$ 14,628		\$ 1,463	\$ 1,463	\$ -
2019-1000-BOD-05-28-19	Voices for Children - Court Appointed Special Advocate Program - 1 Yr	\$ 24,000		\$ 13,200	\$ 10,800	\$ 2,400
2019-1006-BOD-06-25-19	Desert Healthcare Foundation - Homelessness Initiative Collective Fund	\$ 1,000,000		\$ 1,000,000	\$ 1,000,000	\$ -
2019-1017-BOD-09-24-19	Jewish Family Services - Case Management Services for Homeless Prevention - 1 Yr		\$ 90,000	\$ 90,000	\$ 81,000	\$ 9,000
2019-1025-BOD-09-24-19	Desert Healthcare Foundation - Ready Set Swim - 1 Yr		\$ 200,000	\$ 200,000	\$ 200,000	\$ -
2019-1023-BOD-10-22-19	CVRM - Transportation for Seniors & Homeless Hospital Discharge Referrals - 1 Yr		\$ 216,200	\$ 216,200	\$ 97,290	\$ 118,910
2019-1021-BOD-11-26-19	Neuro Vitality Center - Community Based Adult Services Program - 6 Months		\$ 143,787	\$ 143,787	\$ 64,704	\$ 79,083
2020-1045-BOD-03-24-20	FIND Food Bank - Ending Hunger Today, Tomorrow, and for a Lifetime - 1 Yr		\$ 401,380	\$ 401,380	\$ 90,311	\$ 311,069
2020-1080-BOD-03-24-20	Lift To Rise - Coachella Valley Economic Protection Plan and Support Fund		\$ 100,000	\$ 100,000	\$ 100,000	\$ -
2020-1063-BOD-03-24-20	AIDS Assistance Program - Food Voucher Program		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1072-BOD-03-24-20	Cathedral Center - CCSC Operating Funding to Continue Essential Services		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1066-BOD-03-24-20	Hope Through Housing Foundation - COVID-19 Emergency Response & Resilience Fund		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1078-BOD-03-24-20	Mizell Senior Center - Meals On Wheels Program - 3 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1077-BOD-03-24-20	Cove Communities Senior Association - Joslyn Center Nutrition Programs - 3 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1065-BOD-03-24-20	Well in the Desert - Saving Lives - 3 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1095-BOD-03-24-20	Desert Arc - COVID-19 Enclave Employment Essential Workers - 2 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1101-BOD-03-24-20	United Cerebral Palsy Of The Inland Empire - Essential In-Home Respite Care - 2 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1104-BOD-03-24-20	Alianza Coachella Valley - COVID-19 Emergency Relief - 2 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1113-BOD-03-24-20	Hanson House Foundation, Inc. - COVID-19 Response - 2 Months		\$ 5,000	\$ 5,000	\$ 5,000	\$ -
2020-1121-BOD-03-24-20	Family Services Of The Desert, Inc. - Emergency Food Assistance - 2 Months		\$ 5,000	\$ 5,000	\$ 5,000	\$ -
2020-1086-BOD-04-03-20	Borrego Community Health Foundation - To purchase COVID-19 Virus Pandemic Test Kits		\$ 350,000	\$ 350,000	\$ 350,000	\$ -
2020-1081-BOD-04-13-20	Clinicas De Salud Del Pueblo - COVID-19 Support - 9 Months		\$ 150,000	\$ 150,000	\$ 150,000	\$ -
2020-1083-BOD-04-13-20	Desert AIDS Project - COVID-19 Triage Clinic - 9 Months		\$ 150,000	\$ 150,000	\$ 150,000	\$ -
2020-1084-BOD-04-13-20	Borrego Community Health Foundation - Response to COVID-19 - 9 Months		\$ 150,000	\$ 150,000	\$ 150,000	\$ -
2020-1080-BOD-05-26-20 EXT	Lift To Rise - Coachella Valley Economic Protection Plan and Support Fund Extension		\$ 500,000	\$ 500,000	\$ -	\$ 500,000
2020-XXXX-BOD-05-26-20	Grantmakers Concerned With Immigrants and Refugees Support of CV Residents		\$ 150,000	\$ 150,000	\$ -	\$ 150,000
2020-XXXX-BOD-05-26-20	Coachella Valley Volunteers In Medicine - Response to COVID-19		\$ 150,000	\$ 150,000	\$ -	\$ 150,000
2020-1085-BOD-05-26-20	Olive Crest Treatment Center - General Support for Mental Health Services		\$ 50,000	\$ 50,000	\$ -	\$ 50,000
2020-1057-BOD-05-26-20	Desert Cancer Foundation - Patient Assistance Program		\$ 150,000	\$ 150,000	\$ -	\$ 150,000
				\$ -	\$ -	\$ -
TOTAL GRANTS		\$ 15,126,867	\$ 3,051,367	\$ 15,860,722	\$ 3,730,621	\$ 12,008,655
Amts available/remaining for Grant/Programs - FY 2019-20:						
Amount budgeted 2019-2020			\$ 3,500,000	G/L Balance:		5/31/2020
Amount granted through June 30, 2020:			\$ (3,051,367)	2131	\$	6,608,655
Mini Grants:	1009; 1015; 1019; 1016; 1039; 1031; 1051		\$ (32,508)		2281	\$ 5,400,000
Net adj - Grants not used:	967; 876; 938; 979; 927		\$ 121,446	Total		\$ 12,008,655
Matching external grant contributions			\$ 50,000	Difference - Rdg		\$ 0
Balance available for Grants/Programs			\$ 587,571			



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: June 23, 2020
To: Board of Directors
Subject: Lease Addendum for the Rent Deferral Approved for Las Palmas Medical Plaza Tenant Requests Resulting From COVID-19

Staff Recommendation: Consideration to Approve a Lease Addendum for the Rent Deferral Approved for Las Palmas Medical Plaza Tenant Requests.

Background:

- Due to the COVID-19 pandemic, 5 tenants, effecting 8 leases, requested rent relief to support the downturn in their practice.
- The tenants have agreed to a proration of the rent deferred amount added onto the monthly lease for the remainder of the lease period.
- The full amount of rent will be paid by the end of the lease term.
- Three tenants have requested 2 months and two tenants have requested 4 months of rent deferral.
- The Lease Addendum attached for review was prepared by the District's legal counsel.
- At the June 9, 2020 Finance & Administration Committee meeting, the Committee approved the request and recommended forwarding to the Board for consideration of approval.
- Staff recommends approval of the Lease Addendum.

Fiscal Impact:

The net effect of the deferral is zero.

**AMENDMENT TO LAS PALMAS MEDICAL PLAZA
COMMERCIAL LEASE BETWEEN THE DESERT HEALTHCARE DISTRICT
AND _____**

The Las Palmas Medical Plaza Commercial Lease (“Lease”) between the Desert Healthcare District, d.b.a. Las Palmas Medical Plaza (“Landlord”) and _____ (“Tenant”) dated _____, _____, is hereby amended.

1. The COVID-19 pandemic and the State of Emergency which has been declared, has impacted the financial ability of Tenant to pay rent on a timely basis for the Premises at the commercial property commonly known as Las Palmas Medical Plaza, located at 555E. Tachevah Drive, Building _____ Suite _____ Palm Springs, California 92262.
2. Landlord recognizes the hardship that the COVID-19 pandemic has caused to Tenant and is willing to make an accommodation by deferring rent payments for _____ () months, beginning with the month of _____, 2020 and through the month of _____, 2020.
3. In consideration of this deferral, Tenant agrees to resume monthly rental payments on _____ 1, 2020 and which shall include repayment of the total amount of deferred rent in equal monthly installments over the remaining term of Tenant’s Lease.
4. **ARTICLE 4.01** of the Lease is modified as follows:

4.01 Rent and Other Payments. Beginning _____ 1, 2020, Tenet agrees to and shall pay Landlord at Palm Springs, California, or at such other place as Landlord shall from time in writing designate, as minimum monthly rent

for the Premises the amount of _____
(\$_____) (and as may be modified as provided in Paragraph 4.02),
each in advance on the first (1st) day of each calendar month through the
remaining term of the Lease. In addition to monthly rent Tenant shall pay
its monthly pro-rata share of Common Area Maintenance Costs, Real
Estate Taxes and Insurance (Triple Net Fees) as outlined in Article 5.02,
5.03, 5.04 and 5.05 presently estimated at \$.__ per leased square foot.
_____ (\$_____) subject to annual
adjustments and reconciliations thereto.

5. The effective date of this Amendment shall be _____, 2020.

“Landlord”:

“Tenant”:

By _____
Conrado E. Bárzaga, MD
Chief Executive Officer

By _____



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: June 23, 2020
To: Board of Directors
Subject: Lease Agreement – Quest Diagnostics 1W 102-103

Staff Recommendation: Consideration to approve the draft lease agreement for Quest Diagnostics at the Las Palmas Medical Plaza.

Background:

- Quest has been a long-standing tenant of the Las Palmas Medical Plaza.
- Quest is requesting a lease of five years, with a base rent of \$1.65/square foot and a Tenant Improvement Allowance of \$15/square foot.
- Quest requests two additional optional lease extensions.
- At the June 9, 2020 Finance & Administration Committee meeting, the Committee approved the request and recommended forwarding to the Board for consideration of approval.
- Staff recommends approval of the draft lease agreement.
- Draft lease agreement is attached for review.

Fiscal Impact:

Estimated revenue from Rent and CAMs for life of the lease - \$242,230.

Estimated cost of Tenant Improvement Allowance (\$15.00/sf) - \$25,530.

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OFFICE BUILDING LEASE

This Lease between Desert Healthcare District, doing business as Las Palmas Medical Plaza hereinafter referred to as "Landlord", and Unilab Corporation dba Quest Diagnostics referred to as "Tenant", and is dated June 1, 2020.

1. LEASE OF PREMISES.

In consideration of the Rent (as defined at Section 5.4) and the provisions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the Premises described in Section 2L. The Premises are located within the Building and Project described in Section 2m. Tenant shall have the non-exclusive right (unless otherwise provided herein) in common with Landlord, other tenants, subtenants, and invitees, to use of the Common Areas (as defined at Section 2e).

2. DEFINITIONS.

As used in this Lease, the following terms shall have the following meanings:

- a. *Base Rent (Initial)*: \$ Thirty-Three Thousand Six-Hundred Ninety-Nine & 60/100 Dollars (33,699.60) per year.
- b. *Base Year*: The calendar year of June 1 to May 31.
- c. *Broker(s)*:
 Landlord's: N/A
 Tenant's: CBRE
 In the event that N/A represents both Landlord and Tenant, Landlord and Tenant hereby confirm that they were timely advised of the dual representation and that they consent to the same, and that they do not expect said broker to disclose to either of them the confidential information of the other party.
- d. *Commencement Date*: June 1, 2020.
- e. *Common Areas*: The building lobbies, common corridors and hallways, restrooms, parking areas, stairways, elevators and other generally understood public or common areas. Landlord shall have the right to regulate or restrict the use of the Common Areas.
- f. *Expiration Date*: May 31, 2025, unless otherwise sooner terminated in accordance with the provisions of this Lease.
- g. *Landlord's Mailing Address*: 1140 N. Indian Canyon Dr. Palm Springs, CA 92262.
- h. *Tenant's Mailing Address*: Quest Diagnostics Incorporated, 1201 South Collegeville Road, CV-3041, Collegeville, PA 19426, Attn: Corporate Real Estate Department Realestate@questdiagnostics.com. With a required copy to Quest Diagnostics 3714 Northgate Boulevard, Sacramento, CA 95834, Attn: Corporate Real Estate.
- i. *Monthly Installments of Base Rent (initial)*: \$ Two-Thousand, Eight-Hundred Eight & 30/100 (\$2,808.30) per month.
- j. *Project Operating Costs (CAMS)*: Currently Sixty-two Cents (\$.62) per square foot per month.
- k. *Tenant Improvement Allowance (TI)*: Fifteen and 00/100 Dollars (\$15.00) per square foot or Twenty-Five Thousand Five-Hundred Thirty & 00/100 Dollars (\$25,530.00).
- l. *Parking*: Tenant shall be permitted, to park 8 cars on a non-exclusive basis in the area(s) designated by Landlord for parking (for Staff - generally in the back of the parking area, perimeter streets, and Wellness Park parking lot). Tenant shall abide by any and all parking regulations and rules established from time to time by Landlord or Landlord's parking operator.
- m. *Premises*: That portion of the Building containing approximately 1702 square feet of Rentable Area, located in Building 1W and known as Suite 102-103.
- n. *Project*: The building of which the Premises are a part (the "Building") and any other buildings or improvements on the real property (the "Property") located at 555 E. Tachevah Drive, Palm Springs, California 92262. The Project is known as The Las Palmas Medical Plaza.

_____ District _____ Recipient

- o. *Rentable Area*: As to both the Premises and the Project, the respective measurements of floor area as may from time to time be subject to lease by Tenant and all tenants of the Project, respectively, as determined by Landlord and applied on a consistent basis throughout the Project.
- p. *Security Deposit (Section 7)*: \$ Four-Thousand, One-Hundred Eighty-Six & 92/100 Dollars (\$4,186.92) carried over from prior lease.
- q. *State*: the State of California.
- r. *Tenant's First Adjustment Date (Section 5)*: The first day of the calendar month following the Commencement Date plus 12 months.
- s. *Tenant's Proportionate Share*: 3.45%. Such share is a fraction, the numerator of which is the Rentable Area of the Premises and the denominator of which is the Rentable Area of the Project, as determined by Landlord from time to time. The Project consists of six building(s) containing a total Rentable Area of 49,356 square feet.
- t. *Tenant's Use Clause (Article 8)*: Clinical Laboratory, Patient Service Center and related uses consistent with and use the City may allow under the City of Palm Springs zoning, subject to Landlord's reasonable approval.
- u. *Term*: The period commencing on the Commencement Date and expiring at midnight on the Expiration Date.

3. EXHIBITS AND ADDENDA.

The exhibits and addenda listed below (unless lined out) are incorporated by reference in this Lease:

- a. Exhibit "A" Rules and Regulations.
- b. Addenda*

*See Addendum attached hereto and by this reference made a part hereof.

4. DELIVERY OF POSSESSION.

If for any reason Landlord does not deliver possession of the Premises to Tenant on the commencement Date, Landlord shall not be subject to any liability for such failure, the Expiration Date shall not change and the validity of this Lease shall not be impaired, but Rent shall be abated until delivery of possession, "Delivery of possession" shall be deemed to occur on the date Landlord completes Landlord's Work as defined in Addendum. If Landlord permits Tenant to enter into possession of the Premises before the Commencement Date, such possession shall be subject to the provisions of this Lease, including, without limitation, the payment of Rent.

5. RENT.

5.1 *Payment of Base Rent*: Tenant agrees to pay the base rent for the premises. Monthly installments of Base Rent shall be payable in advance on the first day of each calendar month of the term. If the term begins (or ends) on other than the first (or last) day of a calendar month, the Base Rent for the partial month shall be prorated on a per diem basis. Tenant shall pay Landlord the first Monthly Installment of Base Rent when Tenant executes the Lease.

5.2 *Adjusted Base Rent*:

- a. The Base Rent (and the corresponding monthly installments of Base Rent) set forth at Section 2a shall be adjusted annually (the "Adjustment Date"), commencing on Tenant's First Adjustment Date.
- b. Such adjustment shall be the greater of 3% over the preceding year or Consumer Price Index.

5.3 *Project Operating Costs(CAMs)*:

- a. In order that the Rent payable during the Term reflect Project Operating Costs, Tenant agrees to pay to Landlord as Rent, Tenant's Proportionate Share of all costs, expenses and obligations attributable to the Project and its operation as set forth in 2i, all as provided below.
- b. If, during any calendar year during the Term, Project Operating Costs exceed the Project Operating Costs for the Base Year, Tenant shall pay to Landlord, in addition to the Base Rent and all other payments due under this lease, an amount equal to Tenant's Proportionate Share of such excess Project Operating Costs in accordance with the provisions of this Section 5.3b.

(1.) The term "Project Operating Costs" shall include all those items described in the following subparagraphs (a) and (b).

- (a.) All taxes, assessments, water and sewer charges and other similar governmental charges levied on or attributable to the Building or Project or their operation, including without limitation, (i) real property taxes or assessments levied or assessed against the Building or Project, (ii) assessments or charges levied or assessed against the Building or Project by any redevelopment agency, (iii) any tax measured by gross

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rentals received from the leasing of the Premises, Building or Project, excluding any net income, franchise, capital stock, estate or inheritance taxes imposed by the State or federal government or their agencies, branches or departments; provided that if at any time during the Term any governmental entity levies, assesses or imposes on Landlord any (1) general or special, ad valorem or specific, excise, capital levy or other tax, assessment, levy or charge directly on the Rent received under this lease or on the rent received under any other leases of space in the Building or Project, or (2) and license fee, excise or franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such rent, or (3) any transfer, transactions, or similar tax, assessment, levy or charge based directly or indirectly upon the transaction represented by this Lease or such other leases, or (4) any occupancy, use, per capita or other tax, assessment, levy or charge based directly or indirectly upon the use or occupancy of the Premises or other premises within the Building or Project, then any such taxes, assessments, levies and charges shall be deemed to be included in the term Project Operation Costs. If at any time during the Term the assessed valuation of, or taxes on, the Project are not based on a completed Project having at least eighty-five percent (85%) of the Rentable Area occupied, then the "taxes" component of Project Operating Costs shall be adjusted by Landlord to reasonably Approximate the taxes, which would have been payable if the Project were completed and at least eighty-five percent (85%) occupied.

(b.) Operating costs incurred by Landlord in maintaining and operating the Building and Project, including without limitation the following: costs of (1) utilities; (2) supplies; (3) insurance (including public liability, property damage, earthquake, and fire and extended coverage insurance for the full replacement cost of the Building and Project as required by Landlord or its lenders for the Project; (4) services of independent contractors; (5) compensation (including employment taxes and fringe benefits) of all persons who perform duties connected with the operation, maintenance, repair or overhaul of the Building or Project, and equipment, improvements and facilities located within the Project, including without limitation engineers, janitors, painters, floor waxers, window washers, security and parking personnel and gardeners (but excluding persons performing services not uniformly available to or performed for substantially all Building or Project tenant); (6) operation and maintenance of a room for delivery and distribution of mail to tenants of the Building or Project as required by the U.S. Postal Service (including, without limitation, an amount equal to the fair market rental value of the mail room premises); (7) management of the Building or Project, whether managed by Landlord or an independent contractor (including, without limitation, an amount equal to the fair market value of any on-site manager's office); (8) rental expenses for (or a reasonable depreciation allowance on) personal property used in the maintenance, operation or repair of the Building or Project; (9) costs, expenditures or charges (whether capitalized or not) required by any governmental or quasi-governmental authority; (10) amortization of capital expenses (including financing costs) (i) required by a governmental entity for energy conservation or life safety purposes, or (ii) made by landlord to reduce Project Operating Costs; and (11) any other costs or expenses incurred by Landlord under this Lease and not otherwise reimbursed by tenants of the Project. If at any time during the Term, less than eighty-five percent (85%) of the Rentable Area of the Project is occupied, the "operating costs" component of Project Operating Costs shall be adjusted by Landlord to reasonably approximate the operating costs which would have been incurred if the Project had been at least eighty-five percent (85%) occupied.

(2.) Tenant's Proportionate Share of Project Operating Costs shall be payable by Tenant to Landlord as follows:

(a.) Beginning with the calendar year following the Base Year and for each calendar year thereafter ("comparison Year"), Tenant shall pay Landlord an amount equal to Tenant's Proportionate Share of the Project Operating Costs incurred by Landlord in the Comparison Year which exceeds the total amount of Project Operating Costs payable by Landlord for the Base Year. This excess is referred to as the "Excess Expenses."

(b.) To provide for current payments of Excess Expenses, Tenant shall, at Landlord's request, pay as additional rent during each Comparison Year, an amount equal to Tenant's Proportionate Share of the Excess Expenses payable during such Comparison Year, as estimated by Landlord from time to time. Such payments shall be made in monthly installments, commencing on the first day of the month following the month in which Landlord notifies Tenant of the amount it is to pay hereunder and continuing until the first day of the month following the month in which Landlord gives Tenant a new notice of estimated Excess Expenses. It is the intention hereunder to estimate from time to time the amount of the Excess Expense for each Comparison Year and Tenant's Proportionate Share thereof, and then to make an adjustment in the following year based on the actual Excess Expenses incurred for that Comparison Year.

(c.) On or before April 1 of each Comparison Year after the first Comparison Year (or as soon thereafter as is practical), Landlord shall deliver to Tenant a statement setting forth Tenant's Proportionate Share of the Excess Expenses for the preceding Comparison Year. If Tenant's Proportionate Share of the actual Excess Expenses for the previous Comparison Year exceeds the total of the estimated monthly payments made by Tenant for such year, Tenant shall pay Landlord the amount of the deficiency within ten (10) days of the receipt of the statement. If such total exceeds Tenant's Proportionate Share of the actual Excess Expenses for such Comparison Year, then Landlord shall credit against Tenant's next ensuing monthly installment(s) of additional rent an amount equal to the difference until the credit is exhausted. If the credit is due from Landlord on the Expiration Date, Landlord shall pay Tenant the amount of the

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credit. The obligations of Tenant and Landlord to make payments required under this Section 5.3 shall survive the Expiration Date.

- (d.) Tenant's Proportionate Share of Excess Expenses in any Comparison Year having less than 365 days shall be appropriately prorated.
- (e.) If any dispute arises as to the amount of any additional rent due hereunder, Tenant shall have the right after reasonable notice and at reasonable times to inspect Landlord's accounting records at Landlord's accounting office and, if after such inspection Tenant still disputes the amount of additional rent owed, a certification as to the proper amount shall be made by Landlord's certified public accountant, which certification shall be final and conclusive. Tenant agrees to pay the cost of such certification unless it is determined that Landlord's original statement overstated Project Operating Costs by more than five percent (5%).
- (f.) If this Lease sets forth an Expense Stop at Section 2f, then during the Term, Tenant shall be liable for Tenant's Proportionate Share of any actual Project Operating Costs which exceed the amount of the Expense Stop. Tenant shall make current payments of such excess costs during the Term in the same manner as is provided for payment of Excess Expenses under the applicable provisions of Section 5.3(2)(b) and (c) above.

5.4 *Definition of Rent*: The Rent shall be paid to the Building manager (or other person) and at such place, as Landlord may from time to time designate in writing, without any prior demand therefore and without deduction or offset, in lawful money of the United States of America.

5.5 *Rent Control*: If the amount of Rent or any other payment due under this Lease violates the terms of any governmental restrictions on such Rent or payment, then the Rent or payment due during the period of such restrictions shall be the maximum amount allowable under those restrictions. Upon termination of the restrictions, Landlord shall, to the extent it is legally permitted, recover from Tenant the difference between the amounts received during the period of the restrictions and the amounts Landlord would have received had there been no restrictions.

5.6 *Taxes Payable by Tenant*: In addition to the Rent and any other charges to be paid by Tenant hereunder, Tenant shall reimburse Landlord upon demand for any and all taxes payable by Landlord (other than net income taxes) which are not otherwise reimbursable under this Lease, whether or not now customary or within the contemplation of the parties, where such taxes are upon, measured by or reasonably attributable to (a) the cost or value of Tenant's equipment, furniture, fixtures and other personal property located in the Premises, or the cost or value of any leasehold improvements made in or to the Premises by or for Tenant, other than Building Standard Work made by Landlord, regardless of whether title to such improvements is held by Tenant or Landlord; (b) the gross or net Rent payable under this Lease, including, without limitation, any rental or gross receipts tax levied by any taxing authority with respect to the receipt of the Rent hereunder; (c) the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion thereof; or (d) this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises. If it becomes unlawful for Tenant to reimburse Landlord for any costs as required under this Lease, the Base Rent shall be revised to net Landlord the same net Rent after imposition of any tax or other charge upon Landlord as would have been payable to Landlord but for the reimbursement being unlawful.

5.7 *Tenant Improvement Allowance*: In recognition for Tenant completing all improvements, including fire sprinklers, to the premises as mutually agreed by Landlord and Tenant, Landlord shall provide Tenant with a total Tenant improvement allowance not to exceed that set forth in Section 2j upon completion of agreed tenant improvements. This allowance will be reimbursed to tenant upon satisfactory receipt of paid invoices and inspection by Property Management that work has been satisfactorily completed. Any additional tenant improvements will be at the sole expense of the Tenant. Improvements shall conform to a high quality of design approved by Landlord prior to commencement of work, and shall be performed by a licensed General Contractor approved by Landlord in advance. Tenant shall submit plans and specifications for any and all improvements to Landlord, and where necessary, the City of Palm Springs and other applicable government agencies for their required approval (if any) prior to commencement of work. Tenant and the General Contractor shall indemnify and hold Landlord and its officers, agents and employees harmless from any liability resulting from the tenant improvement work and shall be named as an additional insured on the insurance policy of both the Tenant and the General Contractor. All costs shall be subject to prevailing wages and if construction costs exceed \$25,000, then the tenant improvements shall also be subject to California competitive bid statutes.

6. INTEREST AND LATE CHARGES.

If Tenant fails to pay when due any Rent or other amounts or charges which Tenant is obligated to pay under the terms of this Lease, the unpaid amounts shall bear interest at the maximum rate then allowed by law. Tenant acknowledges that the late payment of any Monthly Installment of Base Rent will cause Landlord to lose the use of that money and incur costs and expenses not contemplated under this Lease, including without limitation, administrative and collection costs and processing and accounting expenses, the exact amount of which is extremely difficult to ascertain. Therefore, in addition to interest, if any such installment is not received by Landlord within ten (10) days from the date it is due, Tenant shall pay Landlord a late charge equal to five percent (5%) of such installment. Landlord and Tenant agree that this late charge represents a reasonable estimate of such costs and expenses and is fair compensation to Landlord for the loss suffered from such nonpayment by Tenant. Acceptance of any interest or late charge shall not constitute a waiver of

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Tenant's default with respect to such nonpayment by Tenant nor prevent Landlord from exercising any other rights or remedies available to Landlord under this Lease.

7. SECURITY DEPOSIT.

Tenant agrees to deposit with Landlord the Security Deposit set forth at Section 2.0 upon execution of this Lease, as security for Tenant's faithful performance of its obligations under this Lease. Landlord and Tenant agree that the Security Deposit may be commingled with funds of Landlord and Landlord shall have no obligation or liability for payment of interest on such deposit. Tenant shall not mortgage, assign, transfer or encumber the Security Deposit without the prior written consent of Landlord and any attempt by Tenant to do so shall be void, without force or effect and shall not be binding upon Landlord.

If Tenant fails to pay Rent or other amount when due and payable under this Lease, or fails to perform any of the terms hereof, Landlord may appropriate and apply or use all or any portion of the Security Deposit for Rent payments or any other amount then due and unpaid, for payment of any amount for which Landlord has become obligated as a result of Tenant's default or breach, and for any loss or damage sustained by Landlord as a result of Tenant's default or breach, and Landlord may so apply or use this deposit without prejudice to any other remedy Landlord may have by reason of Tenant's default or breach. If Landlord so uses any of the Security Deposit, Tenant shall, within ten (10) days after written demand therefore, restore the Security Deposit to the full amount originally deposited; Tenant's failure to do so shall constitute an act of default hereunder and Landlord shall have the right to exercise any remedy provided for at Article 27 hereof. Within fifteen (15) days after the Term (or any extension thereof) has expired or Tenant has vacated the Premises, whichever shall last occur, and provided Tenant is not then in default on any of its obligations hereunder, Landlord shall return the Security Deposit to Tenant, or, if Tenant has assigned its interest under this Lease, to the last assignee of Tenant. If Landlord sells its interest in the Premises, Landlord may deliver this deposit to the purchaser of Landlord's interest and thereupon be relieved of any further liability or obligation with respect to the Security Deposit.

8. TENANT'S USE OF THE PREMISES

Tenant shall use the Premises solely for the purposes set forth in Tenant's Use Clause. Tenant shall not use or occupy the Premises in violation of law or any covenant, condition or restriction affecting the Building or Project or the certificate of occupancy issued for the Building or Project, and shall, upon notice from Landlord, immediately discontinue any use of the Premises which is declared by any governmental authority having jurisdiction to be a violation of law or the certificate of occupancy. Tenant, at Tenant's own cost and expense, shall comply with all laws, ordinances, regulations, rules and/or any directions of any governmental agencies or authorities having jurisdiction which shall, by reason of the nature of Tenant's use or occupancy of the Premises, impose any duty upon Tenant or Landlord with respect to the Premises or its use or occupation. A judgment of any court of competent jurisdiction or the admission by Tenant in any action or proceeding against Tenant that Tenant has violated any such laws, ordinances, regulations, rules and/or directions in the use of the Premises shall be deemed to be a conclusive determination of that fact as between Landlord and Tenant. Tenant shall not do or permit to be done anything, which will invalidate or increase the cost of any fire, extended coverage or other insurance policy covering the Building or Project and/or property located therein, and shall comply with all rules, orders, regulations, requirements and recommendations of the Insurance Services Office or any other organization performing a similar function. Tenant shall promptly upon demand reimburse Landlord for any additional premium charged for such policy by reason of Tenant's failure to comply with the provisions of this Article. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Building or Project, or injure or annoy them, or use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or suffer to be committed any waste in or upon the Premises.

9. SERVICES AND UTILITIES.

Provided that Tenant is not in default hereunder, Landlord agrees to furnish to the Premises during generally recognized business days, and during hours determined by Landlord in its sole discretion, and subject to the Rules and Regulations of the Building or Project, electricity for normal desk top office equipment and normal copying equipment, and heating, ventilation and air conditioning ("HVAC") as required in Landlord's judgment for the comfortable use and occupancy of the Premises. If Tenant desires HVAC at any other time, Landlord shall use reasonable efforts to furnish such service upon reasonable notice from Tenant and Tenant shall pay Landlord's charges therefore on demand. Landlord shall also maintain and keep lighted the common stairs, common entries and restrooms in the Building. Landlord shall not be in default hereunder or be liable for any damages directly or indirectly resulting from, nor shall the Rent be abated by reason of (i) the installation, use or interruption of use of any equipment in connection with the furnishing of any of the foregoing services, (ii) failure to furnish or delay in furnishing any such services where such failure or delay is caused by accident or any condition or event beyond the reasonable control of Landlord, or by the making of necessary repairs or improvements to the Premises, Building or Project, or (iii) the limitation, curtailment or rationing of, or restrictions on, use of water, electricity, gas or any other form of energy serving the Premises, Building or Project. Landlord shall not be liable under any circumstances for a loss of or injury to property or business, however occurring, through or in connection with or incidental to failure to furnish any such services. If Tenant uses heat generating machines or equipment in the Premises which affect the temperature otherwise maintained by the HVAC system, Landlord reserves the right to install supplementary air conditioning units in the Premises and the cost thereof, including the cost of installation, operation

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and maintenance thereof, shall be paid by Tenant to Landlord upon demand by Landlord. Notwithstanding the foregoing, if an interruption of services is caused by the negligence or misconduct of Landlord, its agents, employees, contractors, or invitees, and such interruption lasts for more than twenty four (24) hours, Tenant shall be entitled to a proportional abatement of rent. If any essential services (including, but not limited to, electricity, access to the Premises or parking areas, water) supplied by Landlord are interrupted, and the interruption is not caused by the negligence or willful misconduct of Tenant, its employees, invitees, or agents, then Tenant, notwithstanding any other provision of this Lease, shall be entitled to an abatement of rent and additional rent. The abatement shall begin on the second (2nd) consecutive business day of the interruption or when Tenant ceases to use the Premises because of the interruption, whichever is later. The abatement shall end when the service(s) are restored. Tenant shall have the option to cancel this Lease if the interruption unreasonably and materially interferes with Tenant's use of or access to the Premises for at least sixty (60) consecutive days, upon notice to Landlord within the last ten (10) days of such sixty day period. During any such interruption, Landlord shall use commercially reasonable efforts to restore the service(s).

Tenant shall not, without the written consent of Landlord, use any apparatus or device in the Premises, including without limitation, electronic data processing machines, punch card machines or machines using in excess of 120 volts, which consumes more electricity than is usually furnished or supplied for the use of premises as general office space, as determined by Landlord. Tenant shall not connect any apparatus with electric current except through existing electrical outlets in the Premises. Tenant shall not consume water or electric current in excess of that usually furnished or supplied for the use of premises as general office space (as determined by Landlord), without first procuring the written consent of Landlord, which Landlord may refuse, and in the event of consent, Landlord may have installed a water meter or electrical current meter in the Premises to measure the amount of water or electric current consumed. The cost of any such meter and of its installation, maintenance and repair shall be paid for by the Tenant and Tenant agrees to pay to Landlord Promptly upon demand for all such water and electric current consumed as shown by said meters, at the rates charged for such services by the local public utility plus any additional expense incurred in keeping account of the water and electric current so consumed. If a separate meter is not installed, the excess cost for such water and electric current shall be established by an estimate made by a utility company or electrical engineer hired by Landlord at Tenant's expense.

Nothing contained in this Article shall restrict Landlord's right to require at any time separate metering of utilities furnished to the Premises. In the event utilities are separately metered, Tenant shall pay promptly upon demand for all utilities consumed at utility rates charged by the local public utility plus any additional expense incurred by Landlord in keeping account of the utilities so consumed. Tenant shall be responsible for the maintenance and repair of any such meters at its sole cost.

Landlord shall furnish elevator service, lighting replacement for building standard lights, restroom supplies, window washing and janitor services of common area in a manner that such services are customarily furnished to comparable office buildings in the area.

10. CONDITION OF THE PREMISES.

Tenant's taking possession of the Premises shall be deemed conclusive evidence that as of the date of taking possession of the Premises are in good order and satisfactory condition, except for such matters as to which Tenant gave Landlord notice on or before the Commencement Date. No promise of Landlord to alter, remodel, repair or improve the Premises, the Building or the Project and no representation, express or implied, respecting any matter or thing relating to the Premises, Building, Project or this Lease (including, without limitation, the condition of the Premises, the Building or the Project) have been made to Tenant by Landlord or its Broker or Sales Agent, other than as may be contained herein or in a separate exhibit or addendum signed by Landlord and Tenant.

II. CONSTRUCTION, REPAIRS AND MAINTENANCE.

- a. *Landlord's Obligations:* Landlord shall maintain in good order, condition and repair the Building and all other portions of the Premises not the obligation of Tenant or of any other tenant in the Building.
- b. *Tenant's Obligations:*
 - (1.) Tenant shall perform Tenant's Work to the Premises as described in an exhibit specific to Tenant Improvements, if applicable."
 - (2.) Tenant at Tenant's sole expense shall, except for services furnished by Landlord pursuant to Article 9 hereof, maintain the Premises in good order, condition and repair, including the interior surfaces of the ceilings, walls and floors, all doors, all interior windows, all plumbing, pipes and fixtures, electrical wiring, switches and fixtures, Building Standard furnishings and special items and equipment installed by or at the expense of Tenant.
 - (3.) Tenant shall be responsible for all repairs and alterations in and to the Premises, Building and Project and the facilities and systems thereof, the need for which arises out of (i) Tenant's use or occupancy of the Premises, (ii) the installation, removal, use or operation of Tenant's Property (as defined in Article 13) in the Premises, (iii) the moving of Tenant's Property into or out of the Building, or (iv) the act, omission, misuse or negligence of Tenant, its agents, contractors, employees or invitees.

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(4.) If Tenant fails to maintain the Premises in good order, condition and repair, Landlord shall give Tenant notice to do such acts as are reasonably required to so maintain the Premises. If Tenant fails to promptly commence such work and diligently prosecute it to completion, then Landlord shall have the right to do such acts and expend such funds at the expense of Tenant as are reasonably required to perform such work. Any amount so expended by Landlord shall be paid by Tenant promptly after demand with interest at the prime commercial rate then being charged by Bank of America NT & SA plus two percent (2%) per annum, from the date of such work, but not to exceed the maximum rate then allowed by law. Landlord shall have no liability to Tenant for any damage, inconvenience, or interference with the use of the Premises by Tenant as a result of performing any such work.

- c. *Compliance with Law:* Landlord and Tenant shall each do all acts required to comply with all applicable laws, ordinances, and rules of any public authority relating to their respective maintenance obligations as set forth herein.
- d. *Waiver by Tenant:* Tenant expressly waives the benefits of any statute now or hereafter in effect which would otherwise afford the Tenant the right to make repairs at Landlord's expense or to terminate this Lease because of Landlord's failure to keep the Premises in good order, condition and repair.
- e. *Load and Equipment Limits:* Tenant shall not place a load upon any floor of the Premises which exceeds the load per square foot which such floor was designed to carry, as determined by Landlord or Landlord's structural engineer. The cost of any such determination made by Landlord's structural engineer shall be paid for by Tenant upon demand. Tenant shall not install business machines or mechanical equipment which cause noise or vibration to such a degree as to be objectionable to Landlord or other Building tenants.
- f. Except as otherwise expressly provided in this Lease, Landlord shall have no liability to Tenant nor shall Tenant's obligations under this Lease be reduced or abated in any manner whatsoever by reason of any inconvenience, annoyance, interruption or injury to business arising from Landlord's making any repairs or changes which Landlord is required or permitted by this Lease or by any other tenant's lease or required by law to make in or to any portion of the Project, Building or the Premises. Landlord shall nevertheless use reasonable efforts to minimize any interference with Tenant's business in the Premises.
- g. Tenant shall give Landlord prompt notice of any damage to or defective condition in any part or appurtenance of the Building's mechanical, electrical, plumbing, HVAC or other systems serving, located in, or passing through the Premises.
- h. Upon the expiration or earlier termination of this Lease, Tenant shall return the Premises to Landlord clean and in the same condition as on the date Tenant took possession, except for normal wear and tear. Any damage to the Premises, including any structural damage, resulting from Tenant's use or from the removal of Tenant's fixtures, furnishings and equipment pursuant to Section 13b shall be repaired by Tenant at Tenant's expense.

12. ALTERATIONS AND ADDITIONS.

- a. Tenant shall not make any additions, alterations or improvements to the Premises without obtaining the prior written consent of Landlord. Landlord's consent may be conditioned on Tenant's removing any such additions, alterations or improvements upon the expiration of the term and restoring the Premises to the same condition as on the date Tenant took possession. All work with respect to any addition, alteration or improvement shall be done in a good and workmanlike manner by properly qualified and licensed personnel approved by Landlord, and such work shall be diligently prosecuted to completion.
- b. Tenant shall pay the costs of any work done on the Premises pursuant to Section 12a, and shall keep the Premises, Building and Project free and clear of liens of any kind. Tenant shall indemnify, defend against and keep Landlord free and harmless from all liability, loss, damage, costs, attorneys' fees and any other expense incurred on account of claims by any person performing work or furnishing materials or supplies for Tenant or any person claiming under Tenant.

Tenant shall keep Tenant's leasehold interest, and any additions or improvements which are or become the property of Landlord under this Lease, free and clear of all attachment or judgment liens. Before the actual commencement of any work for which a claim or lien may be filed, Tenant shall give Landlord notice of the intended commencement date a sufficient time before that date to enable Landlord to post notices of non-responsibility or any other notices which Landlord deems necessary for the proper protection of Landlord's interest in the Premises, Building or the Project, and Landlord shall have the right to enter the Premises and post such notice at any reasonable time.

- c. Landlord may require, at Landlord's sole option, that Tenant provide to Landlord, at Tenant's expense, a lien and completion bond for work in excess of \$25,000, in an amount equal to at least one and one-half (1.5) times the total estimated cost of any additions, alterations or improvements to be made in or to the Premises, to protect Landlord against any liability for mechanic's and material men's liens and to insure timely completion of the work. Nothing contained in this Section 12c shall relieve Tenant of its obligations under Section 12b to keep the Premises, Building and Project free of all liens.

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- d. Unless their removal is required by Landlord as provided in Section 12a, all additions, alterations and improvements made to the Premises shall become the property of Landlord and be surrendered with the Premises upon the expiration of the Term; provided, however, Tenant's equipment, machinery and trade fixtures which can be removed without damage to the Premises shall remain the property of Tenant and may be removed, subject to the provisions of Section 13b.

13. LEASEHOLD IMPROVEMENTS; TENANT'S PROPERTY.

- a. All fixtures, equipment, improvements and appurtenances attached to or built into the Premises at the commencement of or during the Term, whether or not by or at the expense of Tenant ("Leasehold Improvements"), shall be and remain a part of the Premises, shall be the property of Landlord and shall not be removed by Tenant, except as expressly provided in Section 13b.
- b. All movable partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment located in the Premises and acquired by or for the account of Tenant, without expense to Landlord, which can be removed without structural damage to the Building, and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Premises (collectively "Tenant's Property") shall be and shall remain the property of Tenant and may be removed by Tenant at any time during the Term; provided that if any of Tenant's Property is removed, Tenant shall promptly repair any damage to the Premises or to the Building resulting from such removal.

14. RULES AND REGULATIONS.

Tenant agrees to comply with (and cause its agents, contractors, employees and invitees to comply with) the rules and regulations attached hereto as Exhibit "D" and with such reasonable modifications thereof and additions thereto as Landlord may from time to time make. Landlord shall not be responsible for any violation of said rules and regulations by other tenants or occupants of the Building of Project.

15. CERTAIN RIGHTS RESERVED BY LANDLORD.

Landlord reserves the following rights, exercisable without liability to Tenant for (a) damage or injury to property, person or business, (b) causing an actual or constructive eviction from the Premises, or (c) disturbing Tenant's use or possession of the Premises:

- a. To name the Building and Project and to change the name or street address of the Building or Project;
- b. To install and maintain all signs on the exterior and interior of the Building and Project;
- c. To have pass keys to the Premises and all doors within the Premises, eluding Tenant's vaults and safes;
- d. At any time during the Term, and on reasonable prior notice to Tenant, to inspect the Premises, and to show the Premises to any prospective purchaser or mortgagee of the Project, or to any assignee of any mortgage on the Project, or to others having an interest in the Project or Landlord, and during the last six months of the Term, to show the Premises to prospective tenants thereof; and
- e. To enter the Premises for the purpose of making inspections, repairs, alterations, additions or improvements to the Premises or the Building (including, without limitation, checking, calibrating, adjusting or balancing controls and other parts of the HVAC system), and to take all steps as may be necessary or desirable for the safety, protection, maintenance or preservation of the Premises or the Building or Landlord's interest therein, or as may be necessary or desirable for the operation or improvement of the Building or in order to comply with laws, orders or requirements of governmental or other authority. Landlord agrees to use its best efforts (except in an emergency) to minimize interference with Tenant's business in the Premises in the course of any such entry.

16. ASSIGNMENT AND SUBLETTING.

No assignment of this Lease or sublease of all or any part of the Premises shall be permitted, except as provided in this Article 16.

- a. Tenant shall not, without the prior written consent of Landlord, assign or hypothecate this Lease or any interest herein or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than Tenant. Any of the foregoing acts without such consent shall be void and shall, at the option of Landlord, terminate this Lease. This Lease shall not, nor shall any interest of Tenant herein, be assignable by operation of law without the written consent of Landlord.
- b. If at any time or from time to time during the Term Tenant desires to assign this Lease or sublet all or any part of the Premises, Tenant shall give notice to Landlord setting forth the terms and provisions of the proposed assignment or sublease, and the identity of the proposed assignee or subtenant. Tenant shall promptly supply Landlord with such information concerning the business background and financial condition of such proposed assignee or subtenant as Landlord may reasonably request. Landlord shall have the option, exercisable by notice given to Tenant within twenty (20) days after Tenant's notice is given, either to sublet such space from Tenant at

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the rental and on the other terms set forth in this Lease for the term set forth in Tenant's notice, or, in the case of an assignment, to terminate this Lease. If Landlord does not exercise such option, Tenant may assign the Lease or sublet such space to such proposed assignee or subtenant on the following further conditions:

- (1.) Landlord shall have the right to approve such proposed assignee or subtenant, which approval shall not be unreasonably withheld;
 - (2.) The assignment or sublease shall be on the same terms set forth in the notice given to Landlord;
 - (3.) No assignment or sublease shall be valid and no assignee or sub lessee shall take possession of the Premises until an executed counterpart of such assignment or sublease has been delivered to Landlord;
 - (4.) No assignee or sub lessee shall have a further right to assign or sublet except on the terms herein contained; and
 - (5.) Any sums or other economic consideration received by Tenant as a result of such assignment or subletting, however denominated under the assignment or sublease, which exceed, in the aggregate, (i) the total sums which Tenant is obligated to pay Landlord under this Lease (prorated to reflect obligations allocable to any portion of the Premises subleased), plus (ii) any real estate brokerage commissions or fees payable in connection with such assignment or subletting, shall be paid to Landlord as additional rent under this Lease without affecting or reducing any other obligations of Tenant hereunder.
- c. Notwithstanding the provisions of paragraphs a and b above, Tenant may assign this Lease or sublet the Premises or any portion thereof, without Landlord's consent and without extending any recapture or termination option to Landlord, to any corporation which controls, is controlled by or is under common control with Tenant, or to any corporation resulting from a merger or consolidation with Tenant, or to any person or entity which acquires all the assets of Tenant's business as a going concern, provided that (i) the assignee or sub lessee assumes, in full, the obligations of Tenant under this Lease, (ii) Tenant remains fully liable under this Lease, and (iii) the use of the Premises under Article 8 remains unchanged.
- d. No subletting or assignment shall release Tenant of Tenant's obligations under this Lease or alter the primary liability of Tenant to pay the Rent and to perform all other obligations to be performed by Tenant hereunder. The acceptance of Rent by landlord from any other person shall not be deemed to be a waiver by Landlord of any provision hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. In the event of default by an assignee or subtenant or any successor of Tenant in the performance of any of the terms hereof, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against such assignee, subtenant or successor. Landlord may consent to subsequent assignments of the Lease or sub lettings or amendments or modifications to the Lease with assignees of tenant, without notifying Tenant, or any successor of Tenant, and without obtaining its or their consent thereof and any such actions shall not relieve Tenant of liability under this Lease.
- e. If Tenant assigns the Lease or sublets the Premises or requests the consent of Landlord to any assignment or subletting or if Tenant requests the consent of Landlord for any act that Tenant proposes to do, then Tenant shall, upon demand, pay Landlord an administrative fee of One Hundred Fifty and No/100 Dollars (\$150.00) plus any attorney's fees reasonably incurred by Landlord in connection with such act or request.

17. HOLDING OVER.

If after expiration of the Term, Tenant remains in possession of the Premises with Landlord's permission (express or implied), Tenant shall become a tenant from month to month only, upon all the provisions of this Lease (except as to term and Base Rent), but the "Monthly Installments of Base Rent" payable by Tenant shall be increased to one hundred twenty-five percent (125%) of the Monthly Installments of Base Rent payable by Tenant at the expiration of the Term. Such monthly rent shall be payable in advance on or before the first day of each month. If either party desires to terminate such month-to-month tenancy, it shall give the other party not less than thirty (30) days advance written notice of the date of termination.

18. SURRENDER OF PREMISES.

- a. Tenant shall peaceably surrender the Premises to Landlord on the Expiration Date, in broom-clean condition and in as good condition as when Tenant took possession, except for (i) reasonable wear and tear, (ii) loss by fire or other casualty, and (iii) loss by condemnation. Tenant shall, on Landlord's request, remove Tenant's Property on or before the Expiration Date and promptly repair all damage to the Premises or Building caused by such removal.
- b. If Tenant abandons or surrenders the Premises, or is dispossessed by process of law or otherwise, any of Tenant's Property left on the Premises shall be deemed to be abandoned, and, at Landlord's option, title shall pass to Landlord under this Lease as by a bill of sale. If Landlord elects to remove all or any part of such Tenant's Property, the cost of removal, including repairing any damage to the Premises or Building caused by such removal, shall be paid by Tenant. On the Expiration Date Tenant shall surrender all keys to the Premises.

19. DESTRUCTION OR DAMAGE.

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- a. If the Premises or the portion of the Building necessary for Tenant's occupancy is damaged by fire, earthquake, act of God, the elements, or other casualty, Landlord shall, subject to the provisions of this Article, promptly repair the damage, if such repairs can, in Landlord's opinion, be completed within ninety (90) days. If Landlord determines that repairs can be completed with ninety (90) days, this Lease shall remain in full force and effect, except that if such damage is not the result of the negligence or willful misconduct of Tenant or Tenant's agents, employees, contractors, licensees, or invitees, the Base Rent shall be abated to the extent Tenant's use of the Premises is impaired, commencing with the date of damage and continuing until completion of the repairs required of Landlord under Section 19d.
- b. If in Landlord's opinion, such repairs to the Premises or portion of the Building necessary for Tenant's occupancy cannot be completed within ninety (90) days, Landlord or Tenant may elect, upon notice to the other given within thirty (30) days after the date of such fire or other casualty, to repair such damage, in which event this Lease shall continue in full force and effect, but the Base Rent shall be partially abated as provided in Section 19a. If Landlord does not so elect to make such repairs, this Lease shall terminate as of the date of such fire or other casualty.
- c. If any other portion of the Building or Project is totally destroyed or damaged to the extent that in Landlord's opinion repair thereof cannot be completed within ninety (90) days, Landlord may elect upon notice to Tenant given within thirty (30) days after the date of such fire or other casualty, to repair such damage, in which event this Lease shall continue in full force and effect, but the Base Rent shall be partially abated as provided in Section 19a. If Landlord does not so elect to make such repairs, this Lease shall terminate as of the date of such fire or other casualty.
- d. If the Premises are to be repaired under this Article, Landlord shall repair at its cost any injury or damage to the Building and Building Standard Work in the Premises. Tenant shall be responsible at its sole cost and expense for the repair, restoration, and replacement of any other Leasehold Improvements and Tenant's Property. Landlord shall not be liable for any loss of business, inconvenience or annoyance arising from any repair or restoration of any portion of the Premises, Building, or Project as a result of any damage from fire or other casualty.
- e. This Lease shall be considered an express agreement governing any case of damage to or destruction of the Premises, Building, or Project by fire or other casualty, and any present or future law which purports to govern the rights of Landlord and Tenant in such circumstances in the absent of express agreement, shall have no application.

20. EMINENT DOMAIN.

- a. If the whole of the Building or Premises is lawfully taken by condemnation or in any other manner for any public or quasi-public purpose, this Lease shall terminate as of the date of such taking, and Rent shall be prorated to such date. If less than the whole of the Building or Premises is so taken, this Lease shall be unaffected by such taking, provided that (i) Tenant shall have the right to terminate this Lease by notice to Landlord given within ninety (90) days after the date of such taking if twenty percent (20%) or more of the Premises is taken and the remaining area of the Premises is not reasonably sufficient for Tenant to continue operation of its business, and (ii) Landlord shall have the right to terminate this Lease by notice to Tenant given within ninety (90) days after the date of such taking. If either Landlord or Tenant so elects to terminate this Lease, the Lease shall terminate on the thirtieth (30th) day after either such notice. The Rent shall be prorated to the date of termination. If this Lease continues in force upon such partial taking, the Base Rent and Tenant's Proportionate Share shall be equitably adjusted according to the remaining Rentable Area of the Premises and Project.
- b. In the event of any taking, partial or whole, all of the proceeds of any award, judgment, or settlement payable by the condemning authority shall be the exclusive property of Landlord, and Tenant hereby assigns to Landlord all of its right, title, and interest in any award, judgment, or settlement from the condemning authority. Tenant, however, shall have the right, to the extent that Landlord's award is not reduced or prejudiced, to claim from the condemning authority (but not from Landlord) such compensation as may be recoverable by Tenant in its own right for relocation expenses and damage to Tenant's personal property.
- c. In the event of a partial taking of the Premises which does not result in a termination of this Lease, Landlord shall restore the remaining portion of the Premises as nearly as practicable to its condition prior to the condemnation or taking, but only to the extent of Building Standard Work. Tenant shall be responsible at its sole cost and expenses for the repair, restoration, and replacement of any other Leasehold improvements and Tenant's Property.

21. INDEMNIFICATION.

- a. Tenant shall indemnify and hold Landlord harmless against and from liability and claims of any kind for loss or damage to property of Tenant or any other person, or for any injury to or death of any person, arising out of: (1) Tenant's use and occupancy of the Premises, or any work, activity, or other things allowed or suffered by Tenant to be done in, on, or about the Premises; (2) any breach or default by Tenant of any of the Tenant's obligations under this Lease; or (3) any negligent or otherwise tortuous act or omission of Tenant, its agents,

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employees, invitees, or contractors. Tenant shall at Tenant's expense and by counsel satisfactory to Landlord, defend Landlord in any action or proceeding arising from any such claim and shall indemnify Landlord against all costs, attorneys' fees, expert witness fees, and any other expenses incurred in such action or proceeding. As a material part of the consideration for Landlord's execution of this Lease, Tenant hereby assumes all risk of damage or injury to any person or property in, on, or about the Premises from any cause.

- b. Landlord shall not be liable for injury or damage which may be sustained by the person or property of Tenant, its employees, invitees, or customers or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water, or rain which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction, or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures, whether such damage or injury results from conditions arising upon the Premises or upon other portions of the Building or Project or from other sources. Landlord shall not be liable for any damages arising from any act or omission of any other tenant of the Building or Project.

22. TENANT'S INSURANCE.

- a. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies acceptable to Landlord and Landlord's lender and qualified to do business in the State. Each policy shall name Landlord, and at Landlord's request any mortgagee of Landlord, as an additional insured, as their respective interests may appear. Each policy shall contain (i) a cross-liability endorsement, (ii) a provision that such policy and the coverage evidenced thereby shall be primary and non-contributing with respect to any policies carried by Landlord and that any coverage carried by Landlord shall be excess insurance, and (iii) a waiver by the insurer of any right of subrogation against Landlord, its agents, employees, and representatives, which arises or might arise by reason of any payment under such policy or by reason of any act or omission of Landlord, its agents, employees, or representatives. A copy of each paid up policy (authenticated by the insurer) or certificate of the insurer evidencing the existence and amount of each insurance policy required hereunder shall be delivered to Landlord before the date Tenant is first given the right of possession of the Premises, and thereafter within thirty (30) days after any demand by Landlord therefore. Landlord may, at any time and from time to time, inspect and/or copy any insurance policies required to be maintained by Tenant hereunder. No such policy shall be cancelable except after written notice to Landlord and Landlord's lender in accordance with the terms of the policy. Tenant shall furnish Landlord with renewals or "binders" of any such policy at least ten (10) days prior to the expiration thereof. Tenant shall have the right to provide such insurance coverage pursuant to blanket policies obtained by the Tenant, provided such blanket policies expressly afford coverage to the Premises, Landlord, Landlord's mortgagee, and Tenant as required by this Lease.
- b. Beginning on the date Tenant is given access to the Premises for any purpose and continuing until expiration of the Term, Tenant shall procure, pay for and maintain in effect policies of casualty insurance covering (i) all Leasehold Improvements (including any alterations, additions, or improvements as may be made by Tenant pursuant to the provisions of Article 12 hereof), and (ii) trade fixtures, merchandise, and other personal property from time to time in, on, or about the Premises, in an amount not less than one hundred percent (100%) of their actual replacement cost from time to time, providing protection against any peril included within the classification "Fire and Extended Coverage" together with insurance against sprinkler damage, vandalism, and malicious mischief. The proceeds of such insurance shall be used for the repair or replacement of the property so insured. Upon termination of this Lease following a casualty as set forth herein, the proceeds under (i) above be paid to Landlord, and the proceeds under (ii) above be paid to Tenant.
- c. Beginning on the date Tenant is given access to the Premises for any purpose and continuing until expiration of the Term, Tenant shall procure, pay for, and maintain in effect worker's compensation insurance as required by law and comprehensive public liability and property damage insurance with respect to the construction of improvements on the Premises, the use, operation, or condition of the Premises, and the operations of Tenant in, on, or about the Premises, providing broad form property damage coverage for not less than Five Hundred Thousand Dollars (\$500,000) per person and One Million Dollars (\$1,000,000) each occurrence, and property damage liability insurance with a limit of not less than Two Hundred Fifty Thousand Dollars (\$250,000) each accident.
- c. Not less than every three (3) years during the Term, Landlord and Tenant shall mutually agree to increases in all of Tenant's insurance policy limits for all insurance to be carried by Tenant as set forth in this Article. In the event Landlord and Tenant cannot mutually agree upon the amounts of said increases, then Tenant agrees that all insurance policy limits as set forth in this Article shall be adjusted for increases in the cost of living in the same manner as is set forth in Section 5.2 hereof for the adjustment of the Base Rent.

Tenant shall be permitted to utilize self-insurance for all or any portion of the minimum limits required hereunder.

23. WAIVER OF SUBROGATION.

Landlord and Tenant each hereby waive all rights or recovery against the other and against the officers, employees, agents, and representatives of the other, on account of loss by or damage to the waiving party of its property or the property of others under its control, to the extent that such loss or damage is insured against under any fire and extended

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overage insurance policy which either may have in force at the time of the loss or damage. Tenant shall, upon obtaining the policies of insurance required under this Lease, give notice to its insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

24. SUBORDINATION AND ATTORNMENT.

Upon written request of Landlord, or any first mortgagee or first deed of trust beneficiary of Landlord, or ground lessor of Landlord, Tenant shall, in writing, subordinate its rights under this Lease to the lien of any first mortgage or first deed of trust, or to the interest of any lease in which Landlord is lessee, and to all advances made or thereafter to be made thereunder. However, before signing any subordination agreement, Tenant shall have the right to obtain from any lender or lessor or Landlord requesting such subordination, an agreement in writing providing that, as long as Tenant is not in default hereunder, this Lease shall remain in effect for the full Term. The holder of any security interest may, upon written notice to Tenant, elect to have this Lease prior to its security interest regardless of the time of the granting or recording of such security interest.

In the event of any foreclosure sale, transfer in lieu of foreclosure, or termination of the lease in which Landlord is lessee, Tenant shall attorn to the purchaser, transferee, or lessor, as the case may be, and recognize that party as Landlord under this Lease provided such party acquires and accepts the Premises subject to this Lease.

25. TENANT ESTOPPEL CERTIFICATE.

Within ten (10) days after written request from Landlord, Tenant shall execute and deliver to Landlord or Landlord's designee, a written statement certifying (a) that this lease is unmodified and in full force and effect, or is in full force and effect as modified and stating the modifications; (b) the amount of Base Rent and the date to which Base Rent and additional rent have been paid in advance; (c) the amount of any security deposited with Landlord; and (d) that Landlord is not in default hereunder or, if Landlord is claimed to be in default, stating the nature of any claimed default. Any such statement may be relied upon by a purchaser, assignee, or lender. Tenant's failure to execute and deliver such statement within the time required shall at Landlord's election be a default under this Lease and shall also be conclusive upon Tenant that: (1) this Lease is in full force and effect and has not been modified except as represented by Landlord; (2) there are no uncured defaults in Landlord's performance and that Tenant has not right of offset, counter-claim, or deduction against Rent; and (3) not more than one month's Rent has been paid in advance.

26. TRANSFER OF LANDLORD'S INTEREST.

In the event of any sale or transfer by Landlord of the Premises, Building, or Project, and assignment of this Lease by Landlord, Landlord shall be and is hereby entirely freed and relieved of any and all liability and obligations contained in or derived from this Lease arising out of any act, occurrence, or omission relating to the Premises, Building, Project, or Lease occurring after the consummation of such sale or transfer, providing the purchaser shall expressly assume all of the covenants and obligations of Landlord under this Lease. If any security deposit or prepaid Rent has been paid by Tenant, Landlord may transfer the security deposit or prepaid Rent to Landlord's successor and upon such transfer, Landlord shall be relieved of any and all further liability with respect thereto.

27. DEFAULT.

27.1. *Tenant's Default.* The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

- a. If Tenant abandons or vacates the Premises without payment of rent; or
- b. If Tenant fails to pay any Rent or any other charges required to be paid by Tenant under this Lease and such failure continues for five (5) days after such payment is due and payable; or
- c. If Tenant fails to promptly and fully perform any other covenant, condition, or agreement contained in this lease and such failure continues for thirty (30) days after written notice thereof from Landlord to Tenant; or
- d. If a writ of attachment or execution is levied on this Lease or on any of Tenant's Property; or
- e. If Tenant makes a general assignment for the benefit of creditors, or provides for an arrangement, composition, extension or adjustment with its creditors; or
- f. If Tenant files a voluntary petition for relief or if a petition against Tenant in a proceeding under the federal bankruptcy laws or other insolvency laws is filed and not withdrawn or dismissed within forty-five (45) days thereafter, or if under the provisions of any law providing for reorganization or winding up of corporations, any court of competent jurisdiction assumes jurisdiction, custody, or control of Tenant or any substantial part of its property and such jurisdiction, custody, or control remains in force unrelinquished, unstayed, or unterminated for a period of forty-five (45) days; or
- g. If in any proceeding or action in which Tenant is not a party, a trustee, receiver, agent, or custodian is appointed to take charge of the Premises or Tenant's Property (or has the authority to do so) for the purpose of enforcing a lien against the Premises or Tenant's Property; or

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- h. If Tenant is a partnership or consists of more than one (1) person or entity, if any partner of the partnership or other person or entity is involved in any of the acts or events described in subparagraphs d through g above.

27.2. *Remedies.* In the event of Tenant's default hereunder, then, in addition to any other rights or remedies Landlord may have under any law, Landlord shall have the right, at Landlord's option, without further notice or demand of any kind to do the following:

- a. Terminate this Lease and Tenant's right to possession of the Premises and re-enter the Premises and take possession thereof, and Tenant shall have no further claim to the Premises or under this Lease; or
- b. Continue this Lease in effect, re-enter and occupy the Premises for the account of Tenant, and collect any unpaid Rent or other charges which have or thereafter become due and payable; or
- c. Re-enter the Premises under the provisions of subparagraph b and thereafter elect to terminate this Lease and Tenant's right to possession of the Premises.

If Landlord re-enters the Premises under the provisions of subparagraph b or c above, Landlord shall not be deemed to have terminated this Lease or the obligation of Tenant to pay any Rent or other charges thereafter accruing, unless Landlord notifies Tenant in writing of Landlord's election to terminate this Lease. In the event of any re-entry or retaking of possession by Landlord, Landlord shall have the right, but not the obligation, to remove all or any part of Tenant's Property in the Premises and to place such property in storage at a public warehouse at the expense and risk of Tenant. If Landlord elects to relet the Premises for the account of Tenant, the rent received by Landlord from such reletting shall be applied as follows: first, to the payment of any indebtedness other than Rent due hereunder from Tenant to Landlord; second, to the payment of any costs of such reletting; third, to the payment of the cost of any alterations or repairs to the Premises; fourth, to the payment of Rent due and unpaid hereunder; and the balance, if any, shall be held by Landlord and applied in payment of future Rent as it becomes due. If that portion of rent received from the reletting, which is applied against, the Rent due hereunder is less than the amount of the Rent due, Tenant shall pay the deficiency to Landlord promptly upon demand by Landlord. Such deficiency shall be calculated and paid monthly. Tenant shall also pay to Landlord, as soon as determined, any costs and expenses incurred by Landlord in connection with such reletting or in making alterations and repairs to the Premises, which are not covered by the rent received from the reletting.

Should Landlord elect to terminate this Lease under the provisions of subparagraph a or c above, Landlord may recover as damages from Tenant the following:

- (1.) *Past Rent.* The worth at the time of the award of any unpaid Rent which had been earned at the time of termination; plus
- (2.) *Rent Prior to Award.* The worth at the time of the award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
- (3.) *Rent After Award.* The worth at the time of the award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of the rental loss that Tenant provides could be reasonably avoided; plus
- (4.) *Proximately Caused Damages.* Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom including, but not limited to, any costs or expenses (including attorneys' fees) incurred by Landlord in (a) retaking possession of the Premises, (b) maintaining the Premises after Tenant's default, (c) preparing the Premises for reletting to a new tenant, including any repairs or alterations, and (d) reletting the Premises, including broker's commissions.

"The worth at the time of the award@ as used in subparagraphs 1 and 2 above is to be computed by allowing interest at the rate of ten percent (10%) per annum." The worth at the time of the award@ as used in subparagraph 3 above is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank situated nearest to the Premises at the time of the award plus one percent (1%).

The waiver by Landlord of any breach of any term, covenant, or condition of this Lease shall not be deemed a waiver of such term, covenant, or condition or of any subsequent breach of the same or any other term, covenant, or condition. Acceptance of Rent by Landlord subsequent to any breach hereof shall not be deemed a waiver of any preceding breach other than the failure to pay the particular Rent so accepted, regardless of Landlord's knowledge of any breach at the time of such acceptance of Rent. Landlord shall not be deemed to have waived any term, covenant, or condition unless Landlord gives Tenant written notice of such waiver.

27.3 *Landlord's Default.* If Landlord fails to perform any covenant, condition, or agreement contained in this Lease within thirty (30) days after receipt of written notice from Tenant specifying such default, or if such default

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cannot reasonably be cured within thirty (30) days, if Landlord fails to commence to cure within that thirty (30) day period, then Landlord shall be liable to Tenant for any damages sustained by Tenant as a result of Landlord's breach; provided, however, it is expressly understood and agreed that if Tenant obtains a money judgment against Landlord resulting from any default or other claim arising under this Lease, that judgment shall be satisfied only out of the rents, issues, profits, and other income actually received on account of Landlord's right, title, and interest in the Premises, Building, or Project, and no other real, personal, or mixed property of Landlord (or of any of the partners which comprise Landlord, if any) wherever situated, shall be subject to levy to satisfy such judgment. If, after notice to Landlord of default, Landlord (or any first mortgagee or first deed of trust beneficiary of Landlord) fails to cure the default as provided herein, then Tenant shall have the right to cure that default at Landlord's expense. Tenant shall not have the right to terminate this Lease or to withhold, reduce, or offset any amount against any payments of Rent or any other charges due and payable under this Lease, except as otherwise specifically provided herein.

28. BROKERAGE FEES.

Tenant warrants and represents that it has not dealt with any real estate broker or agent in connection with this Lease or its negotiation except those noted in Section 2.c. Tenant shall indemnify and hold Landlord harmless from any cost, expenses, or liability (including costs of suit and reasonable attorneys' fees) for any compensation, commission, or fees claimed by any other real estate broker or agent in connection with this Lease or its negotiation by reason of any act of Tenant.

29. NOTICES.

All notices, approvals, and demands permitted or required to be given under this Lease shall be in writing and deemed duly served or given if personally delivered or sent by certified or registered U.S. mail, postage prepaid, and addressed as follows: (a) if to Landlord, to Landlord's Mailing Address and to the Building manager, and (b) if to Tenant, to Tenant's Mailing Address; provided Landlord and Tenant may from time to time by notice to the other designate another place for receipt of future notices.

30. GOVERNMENT ENERGY OR UTILITY CONTROLS.

In the event of imposition of federal, state, or local government controls, rules, regulations, or restrictions on the use or consumption of energy or other utilities during the Term, both Landlord and Tenant shall be bound thereby. In the event of a difference in interpretation by Landlord and Tenant of any such controls, the interpretation of Landlord shall prevail, and Landlord shall have the right to enforce compliance therewith, including the right of entry into the Premises to effect compliance.

32. QUIET ENJOYMENT.

Tenant, upon paying the Rent and performing all of its obligations under this Lease, shall peaceably and quietly enjoy the Premises, subject to the terms of this Lease and to any mortgage, lease, or other agreement to which this Lease may be subordinate.

33. OBSERVANCE OF LAW.

Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord is a party thereto or not, that Tenant has violated any law, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between Landlord and Tenant.

34. FORCE MAJEURE.

Any prevention, delay or stoppage of work to be performed by Landlord or Tenant which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefore, acts of God, governmental restrictions or regulations or controls, judicial orders, enemy or hostile government actions, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform hereunder, shall excuse performance of the work by that party for a period equal to the duration of that prevention, delay or stoppage. Nothing in this Article 34 shall excuse or delay Tenant's obligation to pay Rent or other charges under this Lease.

35. CURING TENANT'S DEFAULTS.

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If Tenant defaults in the performance of any of its obligations under this Lease, Landlord may (but shall not be obligated to) without waiving such default, perform the same for the account at the expense of Tenant. Tenant shall pay Landlord all costs of such performance promptly upon receipt of a bill therefore.

36. SIGN CONTROL.

Tenant shall not affix, paint, erect or inscribe any sign, projection, awning, signal or advertisement of any kind to any part of the Premises, Building or Project, including without limitation, the inside or outside of windows or doors, without the written consent of Landlord. Landlord shall have the right to remove any signs or other matter, installed without Landlord's permission, without being liable to Tenant by reason of such removal, and to charge the cost of removal to Tenant as additional rent hereunder, payable within ten (10) days of written demand by Landlord.

37. MISCELLANEOUS.

- a. *Accord and Satisfaction; Allocation of Payments:* No payment by Tenant or receipt by Landlord of a lesser amount than the Rent provided for in this Lease shall be deemed to be other than on account of the earliest due Rent, nor shall any endorsement or statement on any check or letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of the Rent or pursue any other remedy provided for in this Lease. In connection with the foregoing, Landlord shall have the absolute right in its sole discretion to apply any payment received from Tenant to any account or other payment of Tenant then not current and due or delinquent.
- b. *Addenda:* If any provision contained in an addendum to this Lease is inconsistent with any other provision herein, the provision contained in the addendum shall control, unless otherwise provided in the addendum.
- c. *Attorneys' Fees:* If any action or proceeding is brought by either party against the other pertaining to or arising out of this Lease, the finally prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred on account of such action or proceeding.
- d. *Captions, Articles and Section Numbers:* The captions appearing within the body of this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Lease. All references to Article and Section numbers refer to Articles and Sections in this Lease.
- e. *Changes Requested by Lender:* Neither Landlord or Tenant shall unreasonably withhold its consent to changes or amendments to this Lease requested by the lender on Landlord's interest, so long as these changes do not alter the basic business terms of this Lease or otherwise materially diminish any rights or materially increase any obligations of the party from whom consent to such charge or amendment is requested.
- f. *Choice of Law:* This Lease shall be construed and enforced in accordance with the laws of the State of California.
- g. *Consent:* Notwithstanding anything contained in this Lease to the contrary, Tenant shall have no claim, and hereby waives the right to any claim against Landlord for money damages by reason of any refusal, withholding or delaying by Landlord of any consent, approval or statement of satisfaction, and in such event, Tenant's only remedies therefore shall be an action for specific performance, injunction or declaratory judgment to enforce any right to such consent, etc.
- h. *Corporate Authority:* If Tenant is a corporation, each individual signing this Lease on behalf of Tenant represents and warrants that he is duly authorized to execute and deliver this lease on behalf of the corporation, and that this Lease is binding on Tenant in accordance with its terms. Tenant shall, at Landlord's request, deliver a certified copy of a resolution of its board of directors authorizing such execution.
- i. *Counterparts:* This Lease may be executed in multiple counterparts, all of which shall constitute one and the same Lease.
- j. *Execution of Lease; No Option:* The submission of this Lease to Tenant shall be for examination purposes only, and does not and shall not constitute a reservation of or option for Tenant to lease, or otherwise create any interest of Tenant in the Premises or any other premises within the Building or Project. Execution of this Lease by Tenant and its return to Landlord shall not be binding on Landlord notwithstanding any time interval, until Landlord has in fact signed and delivered this Lease to Tenant.
- k. *Furnishing of Financial Statements; Tenant's Representations:* In order to induce Landlord to enter into this Lease, Tenant agrees that it shall promptly furnish Landlord, from time to time, upon Landlord's written request, with financial statements reflecting Tenant's current financial condition. Tenant represents and warrants that all financial statements, records and information furnished by Tenant to Landlord in connection with this Lease are true, correct and complete in all respects.

_____ District _____ Recipient

- l. *Further Assurances*: The parties agree to promptly sign all documents reasonably requested to give effect to the provisions of this Lease.
- m. *Mortgagee Protection*: Tenant agrees to send by certified or registered mail to any first mortgagee or first deed of trust beneficiary of Landlord whose address has been furnished to Tenant, a copy of any notice of default served by Tenant on Landlord. If Landlord fails to cure such default within the time provided for in this Lease, such mortgagee or beneficiary shall have an additional thirty (30) days to cure such default; provided that if such default cannot reasonably be cured within that thirty (30) day period, then such mortgagee or beneficiary shall have such additional time to cure the default as is reasonably necessary under the circumstances.
- n. *Prior Agreements; Amendments*: This Lease contains all of the agreements of the parties with respect to any matter covered or mentioned in this Lease, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose. No provisions of this Lease may be amended or added to except by an agreement in writing signed by the parties or their respective successors in interest.
- o. *Recording*: Tenant shall not record this Lease without the prior written consent of Landlord. Tenant, upon the request of Landlord, shall execute and acknowledge a "short form" memorandum of this Lease for recording purposes.
- p. *Severability*: A final determination by a court of competent jurisdiction that any provision of this Lease is invalid shall not affect the validity of any other provision, and any provision so determined to be invalid shall, to the extent possible, be construed to accomplish its intended effect.
- q. *Successors and Assigns*: This Lease shall apply to and bind the heirs, personal representatives, and permitted successors and assigns of the parties.
- r. *Time of the Essence*: Time is of the essence of this Lease.
- s. *Waiver*: No delay or omission in the exercise of any right or remedy of Landlord upon any default by Tenant shall impair such right or remedy or be construed as a waiver of such default.
- v. *Compliance*: The parties hereto agree to comply with all applicable federal, state and local laws, regulations, codes, ordinances and administrative orders having jurisdiction over the parties, property or the subject matter of this Agreement, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment In Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.
- w. Landlord shall maintain the Common Areas property in compliance with the applicable provisions of the Americans with Disabilities Act of 1990 and its implementing regulations, as amended or supplemented from time to time, and all similar applicable state and local laws, rules and regulations (the "ADA"). Landlord shall hold Tenant harmless and indemnify Tenant for all claims, demands, judgments, costs, expenses (including reasonable actual attorneys' fees) and losses arising out of or related to (i) Landlord's failure to comply with ADA requirements related to the Common Areas (ii) the failure of the Common Area to comply with ADA, unless such non-compliance or corrective activity is necessitated by an alteration to the Premises by Tenant which was not consented to by Landlord.
- x. *Non-Physician Landlord*. Landlord (including but not limited to partners, shareholders or other investors of Landlord) is not a physician, dentist, osteopath, podiatrist, optometrist or chiropractor (collectively "Practitioner") (or immediate family member thereof who is a practitioner or group of practitioners) who has an ownership or investment interest in the property. Landlord covenants and agrees that Landlord shall notify Tenant within ten (10) days of any change in the facts relating to this certification.

The receipt and acceptance by Landlord of delinquent Rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular Rent payment involved.

No act or conduct of Landlord, including, without limitation, the acceptance of keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the Term. Only a written notice from Landlord to Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of the Lease.

Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant.

Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or other provision of the Lease.

_____ District _____ Recipient

The parties hereto have executed this Lease as of the dates set forth below.

Date: _____

Date: _____

Landlord: Desert Healthcare District

Tenant: _____

dba: Las Palmas Medical Plaza

By: Conrado Bárzaga

By: _____

Signature: _____

Signature: _____

Title: CEO

Title: _____

CONSULT YOUR ADVISORS This document has been prepared for approval by your attorney. No representation or recommendation is made as to the legal sufficiency or tax consequences of this document or the transaction to which it relates. These are questions for your attorney.

In any real estate transaction, it is recommended that you consult with a professional, such as a civil engineer, industrial hygienist or other person, with experience in evaluating the condition of the property, including the possible presence of asbestos, hazardous materials and underground storage tanks.

DRAFT

EXHIBIT "A"

RULES AND REGULATIONS

1. No sign, placard, pictures, advertisement, name or notice shall be inscribed, displayed or printed or affixed on or to any part of the outside or inside of the Building without the written consent of Landlord first had and obtained and Landlord shall have the right to remove any such sign, placard, picture, advertisement, name or notice without notice to and at the expense of Tenant.

All approved signs or lettering on doors shall be printed, painted, affixed, or inscribed at the expense of Tenant by a person approved by Landlord outside the Premises; provided, however, that Landlord may furnish and install a Building standard window covering at all exterior windows. Tenant shall not, without prior written consent of Landlord, cause or otherwise sunscreen any window.

2. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by any of the tenants or used by them for any purpose other than for ingress and egress from their respective Premises.
3. Tenant shall not alter any lock or install any new or additional locks or any bolts on any doors or windows of the Premises.
4. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage or damage resulting from the violation of the rule shall be borne by the Tenant who, or whose employees or invitees, shall have caused it.
5. Tenant shall not overload the floor of the Premises or in any way deface the Premises or any part thereof.
6. No furniture, freight or equipment of any kind shall be brought into the Building without the prior notice to Landlord and all moving of the same into or out of the Building shall be done at such time and in such manner as Landlord shall designate. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy equipment brought into the Building and also the times and manner of moving the same in and out of the Building. Safes or other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property from any cause and all damage done to the Building by moving or maintaining any such safe or other property shall be repaired at the expense of Tenant.
7. Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substances in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to the Landlord or other occupants of the Building by reason of noise, odors and/or vibrations, or interfere in any way with other tenants or those having business therein, nor shall any animals or birds be brought in or kept in or about the Premises of the Building.
8. No cooking shall be done or permitted by any Tenant on the Premises, nor shall the Premises be used for storage of merchandise, for washing clothes, for lodging or for any improper, objectionable or immoral purposes.
9. Tenant shall not use or keep in the Premises or the Building any kerosene, gasoline or inflammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied by Landlord.
10. Landlord will direct electricians as to where and how telephone and telegraph wires are to be introduced. No boring or cutting for wires will be allowed without the consent of the Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.
11. On Saturdays, Sundays and legal holidays, and on other days between the hours of 6:00 p.m. and 8:00 a.m. the following day, access to the Building or to the halls, corridors, elevators or stairways in the Building, or to the Premises may be refused unless the person seeking access is known to the person or employee of the Building in charge and has a pass or is properly identified. The Landlord shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, the Landlord reserves the right to prevent access to the Building during the continuance of the same by closing of the doors or otherwise, for the safety of the tenants and protection of property in the Building and the Building.
12. Landlord reserves the right to exclude or expel from the Building any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Building.
13. No vending machine or machines of any description shall be installed, maintained or operated upon the Premises without the written consent of the Landlord.

_____ District _____ Recipient

14. Landlord shall have the right, exercisable without notice and without liability to Tenant, to change the name and street address of the Building of which the Premises are a part.
15. Tenant shall not disturb, solicit, or canvass any occupant of the Building and shall cooperate to prevent same.
16. Without the written consent of Landlord, Tenant shall not use the name of the Building in connection with or in promoting or advertising the business of Tenant except as Tenant's address.
17. Landlord shall have the right to control and operate the public portions of the Building, and the public facilities, and heating and air conditioning, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally.
18. All entrance doors in the Premises shall be left locked when the Premises are not in use, and all doors opening to public corridors shall be kept closed except for normal ingress and egress from the Premises.

Landlord's Initials

Tenant's Initials

DRAFT

ADDENDUM

Addendum to that certain Office Building Lease dated June 1, 2020 by and between Desert Healthcare District doing business as the Las Palmas Medical Plaza, as Landlord and Unilab Corporation dba Quest Diagnostics, as Tenant for the property commonly known as Las Palmas Medical Plaza located 555 E. Tachevah Drive, Palm Springs, California 92262.

Page 1

In the event of any inconsistency between the Addendum language and the body of the Lease, the Addendum language shall prevail.

- 1. Commencement Date: June 1, 2020
- 2. Expiration Date: May 31, 2025
- 3. Rent Schedule:

06/01/2020-05/31/2021	\$2808.30	
06/01/2021-05/31/2022	\$2892.55	Greater of 3% or CPI
06/01/2022-05/31/2023	\$2979.33	Greater of 3% or CPI
06/01/2023-05/31/2024	\$3068.71	Greater of 3% or CPI
06/01/2024-05/31/2025	\$3160.77	Greater of 3% or CPI
- 4. CAMs: 2020 Base CAM of \$.62 per square foot. Tenant is responsible for any amounts exceeding the Base year during years 2-5 of the Lease Agreement.
- 5. Security Deposit: Four-Thousand, One-Hundred Eighty-Six & 92/100 Dollars (\$4,186.92) carried over from prior lease
- 6. Renewal Options: Tenant requests two optional 5-year extensions Greater of 3% or CPI
- 7. Broker Fee: Landlord shall pay broker fee of two percent (2%) or Three-Thousand, Five-Hundred Seventy-Eight & 32/100 Dollars (\$3,578.32) to CBRE.

The foregoing is hereby agreed to and accepted:

Date: _____

Date: _____

Landlord: Desert Healthcare District

Tenant: _____

dba: Las Palmas Medical Plaza

By: Conrado Bárzaga

By: _____

Signature: _____

Signature: _____

Title: CEO

Title: _____



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: June 23, 2020
To: Board of Directors
Subject: Consideration to Approve Revised Policies

Staff Recommendation: Consideration to approve the Revised Policies

Background:

- Policy PROC-01, established that a District Policy Manual will be maintained with policies being reviewed every two years or as needed.
- The policies listed below have been determined to need review and/or revision.
- Policy #PROC-01– *formatting and language revisions*
- Policy #BOD-01 – *formatting revisions*
- Policy #BOD-02 – *formatting and language revisions*
- Policy #BOD-04 – *formatting and language revisions*
- Policy #BOD-05 – *formatting and language revisions*
- Policy #BOD-11 – *formatting and language revisions*
- Policy #FIN-01– *formatting and language revisions*
- Policy #FIN-02– *formatting and language revisions*
- Policy #FIN-03– *formatting and language revisions*
- Policy #FIN-04 – *formatting and language revisions*
- Policy #FIN-05 – *formatting and language revisions*
- At the June 17, 2020 Board and Staff Communications and Policies Committee meeting, the Committee approved the request and recommended forwarding to the Board for consideration of approval.
- Staff recommends approval of the Policies as presented.
- **Note: “Clean” version is presented first. Followed by the redlined version.**

Fiscal Impact:

None



POLICY TITLE: PURPOSE OF BOARD POLICIES & ADOPTION/AMENDMENT OF POLICIES

POLICY NUMBER: PROC-01

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL DATE: 06-23-2020

POLICY #PROC-01: It is the intent of the Desert Healthcare District (“District”) Board of Directors (“Board”) to maintain a Policy Manual.

GUIDELINES:

1. The manual will be a comprehensive listing of the Board's current policies, being the rules and regulations approved by the Board, reviewed every two years or as needed. The Board of Directors may update any policy at and time at their discretion. The Policy Manual will serve as a resource for the Board, staff and members of the public in determining the manner in which matters of District business are to be conducted.
2. Policies are clear, simple statements of how the District intends to conduct its services, actions or business. They provide a set of guiding principles to help with decision making.
3. If any policy or portion of a policy contained within the Policy Manual is in conflict with rules, regulations or legislation having authority over the District, those rules, regulations or legislation shall prevail. Where this occurs, the Board of Directors will clarify either the rules or policy to assure that they are compatible.
4. Consideration by the Board of Directors to adopt a new policy or to amend an existing policy may be initiated by the Board President, two Board Members or by Staff. The proposed adoption or amendment is initiated by requesting that the item be included for consideration on the agenda of the Board & Staff Communications and Policies Committee.
5. The Board & Staff Communications and Policies Committee shall review all policies and make recommendations for approval to the Board of Directors. If there is no consensus at the Board & Staff Communications and Policies Committee, the policy may be referred for action to the full Board of Directors without a recommendation.



DESERT HEALTHCARE
DISTRICT & FOUNDATION

6. Policies will be reviewed by legal counsel as applicable.
7. Adoption of a new policy or revision of an existing policy shall be accomplished at a regular meeting of the Board of Directors and shall require a majority vote of all Board Members present.
8. Before considering adopting or revising any policy, Board Members and the public shall have the opportunity to review the proposed adoption or revision prior to the meeting at which consideration for adoption or revision is to be given. Copies of the proposed policy adoption or revision shall be included in the agenda information packet for any meeting of consideration. The agenda information packets with said copies shall be made available to each Board Member for review at least three (3) days prior to any meeting at which the policies are to be considered.

AUTHORITIES

Desert Healthcare District Bylaws Article VI, section 6.2(e)

DOCUMENT HISTORY

Approved 01-26-2016



POLICY TITLE: PURPOSE OF BOARD POLICIES & ADOPTION/AMENDMENT OF POLICIES

POLICY NUMBER: PROC-01

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL DATE: 06-23-2020

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4. Consideration by the Board of Directors to adopt a new policy or to amend an existing policy may be initiated by the Board President, two Board Members or by Staff. The proposed adoption or amendment is initiated by requesting that the item be included for consideration on the agenda of the Board & Staff Communications and Policies~~Finance and Administration (F&A)~~ Committee.
5. The Board & Staff Communications and Policies~~F&A~~ Committee shall review all policies and make recommendations for approval to the Board of Directors. If there is no consensus at the Board & Staff Communications and Policies~~F&A~~ Committee, the policy may be referred for action to the full Board of Directors without a recommendation.



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AUTHORITIES

[Desert Healthcare District Bylaws Article VI, section 6.2\(e\)](#)

DOCUMENT HISTORY

Approved 01-26-2016



POLICY TITLE: SWEARING IN OF BOARD MEMBERS
POLICY NUMBER: BOD-01
COMMITTEE APPROVAL: 06-17-2020
BOARD APPROVAL: 06-23-2020

POLICY #BOD-01: It is the policy of the Desert Healthcare District (“District”) to perform a swearing-in ceremony for newly elected or appointed Board of Directors (“Board”) members.

GUIDELINES:

1. Newly elected Board Members assume office at noon on the first Friday of December following the general election. He/she shall be sworn in by or at the first Board meeting following that date. Appointed Board members are sworn in by or at the first Regular Board Meeting after the Board approves the appointment. Newly elected or appointed Board members must be sworn in prior to performing any official duties.
2. Using the standard form (see attached), the Board President shall appoint the Clerk of the Board or Legal Counsel to have the newly elected Board Members repeat after him/her the words of the oath.
3. The Clerk of the Board or Legal Counsel will obtain required signatures.



DESERT HEALTHCARE
DISTRICT & FOUNDATION
STATE OF CALIFORNIA

City of _____ County of _____

OATH OR AFFIRMATION OF ALLEGIANCE FOR PUBLIC OFFICERS AND
EMPLOYEES

The Execution of this Oath is Required by Article XX, Section 3, of the Constitution of the State of California.

I, _____, do

solemnly swear that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____ 20____

SIGNATURE OF OFFICER ADMINISTERING OATH

TITLE

SIGNATURE OF PERSON TAKING OATH



AUTHORITIES

Desert Healthcare District Bylaws Article IV, section 4.3

DOCUMENT HISTORY

Approved 01-26-2016

CLEAN



POLICY TITLE: SWEARING IN OF BOARD MEMBERS
POLICY NUMBER: BOD-01
COMMITTEE APPROVAL: 06-17-2020 **FORMAT REVISIONS ONLY**
BOARD APPROVAL: 06-23-2020

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2. Using the standard form (see attached), the Board President shall appoint the Clerk of the Board or Legal Counsel to have the newly elected Board Members repeat after him/her the words of the oath.
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DESERT HEALTHCARE
DISTRICT & FOUNDATION
STATE OF CALIFORNIA

City of _____ County of _____

OATH OR AFFIRMATION OF ALLEGIANCE FOR PUBLIC OFFICERS AND
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The Execution of this Oath is Required by Article XX, Section 3, of the Constitution of the State of California.

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SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ DAY OF _____ 20____

SIGNATURE OF OFFICER ADMINISTERING OATH TITLE

SIGNATURE OF PERSON TAKING OATH



DESERT HEALTHCARE
DISTRICT & FOUNDATION

AUTHORITIES

Desert Healthcare District Bylaws Article IV, section 4.3

DOCUMENT HISTORY

Approved 01-26-2016

DRAFT



POLICY TITLE: ELECTION & APPOINTMENT AND DUTIES OF BOARD OFFICERS

POLICY NUMBER: BOD-02

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #BOD-02: It is the policy of the Desert Healthcare District (“District”) to establish the rules for appointment of Board officers and sets forth the election process and the duties of the officers. Further, the roles and responsibilities of said officers are as described in this policy.

GUIDELINES:

1. Appointment and Term of Office of Board Officers

To codify the process that has been used in previous years, the following language will be added:

Process for the Election of Board Officers

The officers of the Board shall be chosen by the Board as the first agenda item at the first regular board meeting in December. Legal Counsel calls for nominations for the position of Board President, closes nominations and a vote is taken. The process continues for the positions of Vice-President/Secretary (the position of Vice-President is both Vice-President/Secretary) and for the Treasurer. The term of the officers are for one (1) year, but officers may be re-elected in subsequent years.

2. Board President



The President shall serve as chairperson at all Board meetings and shall have the same rights as the other Board Members in voting; introducing motions, resolutions; and participating in discussions. The President assures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties. In public meetings, the Board President adheres to and implements the rules of order as approved by the Board. The President behaves consistently with District policies and those legitimately imposed upon it from outside the organization. In the absence of the President, the Vice-President shall serve as chairperson. If both the President and Vice-President are absent, the remaining Board Members shall select one of themselves to act as chairperson.

In addition, the duties of the President include:

- 2.1** The President shall execute Board documents on behalf of the Board unless such authority has been delegated to the Chief Executive Officer under specific circumstances.
- 2.2** The President is empowered to chair Board meetings with all the commonly accepted authorities of that position (e.g., ruling, recognizing, keeping order, changing the order of announced agenda items.).
- 2.3** The President shall appoint Board committee members and committee's chair position.
- 2.4** The President has no authority to supervise or direct the Chief Executive Officer. The President has no more authority than any other board members.
- 2.5** The President shall work with the Chief Executive Officer in monitoring and planning the agenda forecast.
- 2.6** The President may represent the Board to outside parties in announcing and presenting of the Board after formal Board action has been taken.
- 2.7** The President may determine, in concert with the Chief Executive Officer as necessary, whether to place on an agenda consideration of documents of support or recognition (e.g., resolutions, commendations, certificates of appreciation, etc.)



DESERT HEALTHCARE
DISTRICT & FOUNDATION

for individuals, organizations or efforts in the community by evaluating whether the individual, organization or effort has a clear nexus to issues relevant to the District.

2.8 The President may also sign such certificates established in 2.7 upon successful approval of the Board.

2.9 The President may make and second motions and vote in the same manner as other Board members.

2.10 Agenda items may be added by the President or at the request of two board members.

2.11 There is no veto power from the President.

3. Board Vice-President/Secretary

The Board shall elect one of its members as Vice President/Secretary at the first regular meeting in December of each year.

3.1 In the absence of the President, the Vice-President/Secretary shall perform the duties of the President.

3.2 The Board Vice-President/Secretary shall provide for keeping of the minutes of all meetings of the Board in accordance with the adopted rules of the Board.

3.2.1 The Vice-President/Secretary shall sign the minutes of the Board meeting following their approval.

3.3 The Vice President/Secretary shall give or cause to be given appropriate notices in accordance with the policies and bylaws or as required by law and shall act as custodian of District records and reports.

3.4 The Vice-President/Secretary may delegate the Board Secretary duties to a District Staff member and not a member of the Board of Directors.

4. Board Treasurer

The Board shall appoint a Treasurer at the first regular meeting in December of each year.



DESERT HEALTHCARE
DISTRICT & FOUNDATION

4.1 The Treasurer shall be charged with the safekeeping and disbursement of the funds in the treasury of the District.

4.2 The Treasurer will serve as chair of the Finance, Legal, Administration, & Real Estate Committee.

AUTHORITIES

Desert Healthcare District Bylaws Article VII

DOCUMENT HISTORY

Approved 12-15-2015

CLEAR



POLICY TITLE: ELECTION & APPOINTMENT AND DUTIES OF BOARD OFFICERS

POLICY NUMBER: BOD-02

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #BOD-02: It is the policy of the Desert Healthcare District (“District”) to establish the rules for appointment of Board officers and sets forth the election process and the duties of the officers. Further, the roles and responsibilities of said officers are as described in this policy.

GUIDELINES:

1. Appointment and Term of Office of Board Officers

To codify the process that has been used in previous years, the following language will be added:

Process for the Election of Board Officers

The officers of the Board shall be chosen by the Board as the first agenda item at the first regular board meeting in December. Legal Counsel calls for nominations for the position of Board President, closes nominations and a vote is taken. The process continues for the positions of Vice-President/Secretary (the position of Vice-President is both Vice-President/Secretary) and for the Treasurer. The term of the officers are for one (1) year, but officers may be re-elected in subsequent years.

2. Board President



The President shall serve as chairperson at all Board meetings and shall have the same rights as the other Board Members in voting; introducing motions, resolutions; and participating in discussions. The President assures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties. In public meetings, the Board President adheres to and implements the rules of order as approved by the Board. The President behaves consistently with District policies and those legitimately imposed upon it from outside the organization. In the absence of the President, the Vice-President shall serve as chairperson. If both the President and Vice-President are absent, the remaining Board Members shall select one of themselves to act as chairperson.

In addition, the duties of the President include:

2.1 The President shall execute Board documents on behalf of the Board unless such authority has been delegated to the Chief Executive Officer under specific circumstances.

2.2 The President is empowered to chair Board meetings with all the commonly accepted authorities of that position (e.g., ruling, recognizing, keeping order, changing the order of announced agenda items.).

2.3 The President shall appoint Board committee members and committee's chair position.

2.4 The President has no authority to supervise or direct the Chief Executive Officer. The President has no more authority than any other board members ~~do~~.

2.5 The President shall work with the Chief Executive Officer in monitoring and planning the agenda forecast.

2.6 The President may represent the Board to outside parties in announcing and presenting of the Board after formal Board action has been taken.

2.7 The President may determine, in concert with the Chief Executive Officer as necessary, whether to place on an agenda consideration of documents of support or recognition (e.g., resolutions, commendations, certificates of appreciation, etc.)



DESERT HEALTHCARE
DISTRICT & FOUNDATION

for individuals, organizations or efforts in the community by evaluating whether the individual, organization or effort has a clear nexus to issues relevant to the District.

2.8 The President may also sign such certificates established in 2.7 upon successful approval of the Board.

2.9 The President may make and second motions and vote in the same manner as other Board members.

2.10 Agenda items may be added by the President or at the request of two board members.

2.11 There is no veto power from the President.

3. Board Vice-President/Secretary

The Board shall elect one of its members as Vice President/Secretary at the first regular meeting in December of each year.

3.1 In the absence of the President, the Vice-President/Secretary shall perform the duties of the President.

3.2 The Board Vice-President/Secretary shall provide for keeping of the minutes of all meetings of the Board in accordance with the adopted rules of the Board.

3.2.1 The Vice-President/Secretary shall sign the minutes of the Board meeting following their approval.

3.3 The Vice President/Secretary shall give or cause to be given appropriate notices in accordance with the policies and bylaws or as required by law and shall act as custodian of District records and reports.

3.4 The Vice-President/Secretary may delegate the Board Secretary duties to a District Staff member and not a member of the Board of Directors.

4. Board Treasurer

The Board shall appoint a Treasurer at the first regular meeting in December of each year.



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4.1 The Treasurer shall be charged with the safekeeping and disbursement of the funds in the treasury of the District.

4.2 The Treasurer will serve as chair of the [F&A Finance, Legal, Administration, & Real Estate](#) Committee.

AUTHORITIES

[Desert Healthcare District Bylaws Article VII](#)

DOCUMENT HISTORY

[Approved](#) 12-15-2015

DRAFT



POLICY TITLE: ATTENDANCE AT MEETINGS
POLICY NUMBER: BOD-04
COMMITTEE APPROVAL: 06-17-2020
BOARD APPROVAL: 06-23-2020

POLICY #BOD-04: It is the policy of the Desert Healthcare District (“District”) Board of Directors that members of the Board of Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.

GUIDELINES:

1. For all absences, the Board member shall notify the Chief Executive Officer (CEO) prior to the Board or Board Committee meeting in which they will be absent with the reason for the absence. The CEO will subsequently notify the Chair of the absence and the reason.
2. A vacancy shall occur if any member ceases to discharge the duty of his/her office for the period of three consecutive regular meetings of the Board, or from three of any five consecutive meetings of the Board, except as authorized by the Board of Directors (Ref. H&S Code Section 32100.2).

AUTHORITIES

Desert Healthcare District Bylaws Article IV, section 4.5

DOCUMENT HISTORY

Approved 02-24-2016



POLICY TITLE: ATTENDANCE AT MEETINGS
POLICY NUMBER: BOD-04
COMMITTEE APPROVAL: 06-17-2020
BOARD APPROVAL: 06-23-2020

POLICY #BOD-04: It is the policy of the Desert Healthcare District (“District”) Board of Directors that members of the Board of Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.

GUIDELINES:

1. For all absences, the Board member shall notify the Chief Executive Officer (CEO) prior to the Board or Board Committee meeting in which they will be absent with the reason for the absence. The CEO will subsequently notify the Chair of the absence and the reason.
2. A vacancy shall occur if any member ceases to discharge the duty of his/her office for the period of three consecutive regular meetings of the Board, or from three of any five consecutive meetings of the Board, except as authorized by the Board of Directors. (Ref. H&S Code Section 32100.2).

AUTHORITIES

Desert Healthcare District Bylaws Article IV, section 4.5

DOCUMENT HISTORY

Approved 02-24-2016



POLICY TITLE:	BASIS OF AUTHORITY
POLICY NUMBER:	BOD-05
COMMITTEE APPROVAL:	06-17-2020
BOARD APPROVAL:	06-23-2020

POLICY #BOD-05: It is the policy of the Desert Healthcare District (“District”) Board of Directors to serve as the unit of authority within the District.

GUIDELINES:

1. The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors may not commit the District to any policy, act or expenditure.
2. While directors are elected from a particular geographical area or Zone, they represent and act for the community as a whole.

AUTHORITY

Desert Healthcare District Bylaw Article IV

DOCUMENT HISTORY

Approved 01-26-2016



POLICY TITLE:	BASIS OF AUTHORITY
POLICY NUMBER:	BOD-05
COMMITTEE APPROVAL:	06-17-2020
BOARD APPROVAL:	06-23-2020

POLICY #BOD-05: It is the policy of the Desert Healthcare District (“District”) Board of Directors to serve as the unit of authority within the District.

GUIDELINES:

1. The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors may not commit the District to any policy, act or expenditure.
2. ~~While Directors~~ directors are elected from ~~do not represent any fractional segment of the community a particular geographical area or Zone, but are, rather, a part of the body that~~ they represents and acts for the community as a whole.

AUTHORITY

Desert Healthcare District Bylaw Article IV

DOCUMENT HISTORY

Approved 01-26-2016



POLICY TITLE: BOARD ACTIONS AND DECISIONS

POLICY NUMBER: BOD-11

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #BOD-11: It is the policy of the Desert Healthcare District (“District”) Board of Directors to conduct business in an orderly and comprehensive manner.

GUIDELINES:

1. Actions by the Board of Directors may include, but are not limited to, the following:
 - 1.1 Adoption or rejection of regulations or policies;
 - 1.2 Adoption or rejection of a resolution;
 - 1.3 Approval or rejection of any contract or expenditure;
 - 1.4 Approval or rejection of any proposal that commits District funds or facilities, and,
 - 1.5 Approval or disapproval of matters that require or may require the District or its employees, under the direction of the CEO, to take action and/or provide services.

2. In accordance with Health & Safety Code 32106, all sessions of the board of directors, whether regular or special, shall be open to the public, and a majority of the members



of the board (four (4) Directors) shall constitute a quorum for the transaction of business. Actions taken at a meeting where a quorum of up to five (5) members are present, require three (3) votes to be effective (unless a 3/4 vote is required by policy or law). Actions taken where six (6) or seven (7) members are present, require a vote of the majority of the members present to be effective (unless a 3/4 vote is required by policy or law).

2.1 In accordance with California law, a member abstaining from a vote is considered as an affirmative vote for the action or a vote in favor of a majority of the quorum. When a Director is present at a meeting and desires to oppose an action, the Director must vote against the action and a refusal to vote is consent that the majority of the quorum may act for the body.

2.1.1 Example. If four (4) of seven (7) Directors are present at a meeting, a quorum exists, and business can be conducted. If two (2) Directors vote “aye,” one (1) Director votes no, and one Director abstains on an action, in accordance with California law, the Director is regarded as having voted affirmatively for the proposition or to have voted with the majority of the quorum.

2.1.2 Example. If an action requires a two-thirds vote of the “members” of the Board, and 3 Directors abstain, the proposed action is not approved because at least 5 of the 7 Directors would have to vote in favor of the action.

2.1.3 Example. If a vacancy exists on the Board and a vote is taken to appoint an individual to fill the vacancy, if three (3) Directors vote in favor of the appointment, two (2) against the appointment, and one (1) abstains, the appointment is approved.



AUTHORITY

Desert Healthcare District Bylaws Article V, section 5.4

DOCUMENT HISTORY

Approved 03-23-2016

CLEAN



POLICY TITLE: BOARD ACTIONS AND DECISIONS

POLICY NUMBER: BOD-11 **Legal Counsel Completely Revised**

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #BOD-11: It is the policy of the Desert Healthcare District (“District”) Board of Directors to conduct business in an orderly and comprehensive manner.

GUIDELINES:

1. Actions by the Board of Directors may include, but are not limited to, the following:
 - 1.1 Adoption or rejection of regulations or policies;
 - 1.2 Adoption or rejection of a resolution;
 - 1.3 Approval or rejection of any contract or expenditure;
 - 1.4 Approval or rejection of any proposal that commits District funds or facilities, ~~including employment and dismissal of personnel;~~ and,
 - 1.5 Approval or disapproval of matters that require or may require the District or its employees, under the direction of the CEO, to take action and/or provide services.



2. In accordance with Health & Safety Code 32106, all sessions of the board of directors, whether regular or special, shall be open to the public, and a majority of the members of the board (four (4) Directors) shall constitute a quorum for the transaction of business. Actions taken at a meeting where a quorum of up to five (5) members are present, require three (3) votes to be effective (unless a 3/4 vote is required by policy or law). Actions taken where six (6) or seven (7) members are present, require a vote of the majority of the members present to be effective (unless a 3/4 vote is required by policy or law).

2.1 In accordance with California law, a member abstaining from a vote is considered as an affirmative vote for the action or a vote in favor of a majority of the quorum. When a Director is present at a meeting and desires to oppose an action, the Director must vote against the action and a refusal to vote is consent that the majority of the quorum may act for the body.

2.1.1 Example. If four (4) of seven (7) Directors are present at a meeting, a quorum exists, and business can be conducted. If two (2) Directors vote “aye,” one (1) Director votes no, and one Director abstains on an action, in accordance with California law, the Director is regarded as having voted affirmatively for the proposition or to have voted with the majority of the quorum.

2.1.2 Example. If an action requires a two-thirds vote of the “members” of the Board, and 3 Directors abstain, the proposed action is not approved because at least 5 of the 7 Directors would have to vote in favor of the action.

2.1.3 Example. If a vacancy exists on the Board and a vote is taken to appoint an individual to fill the vacancy, if three (3) Directors vote in favor of the appointment, two (2) against the appointment, and one (1) abstains, the appointment is approved.



AUTHORITY

Desert Healthcare District Bylaws Article V, section 5.4

DOCUMENT HISTORY

Approved 03-23-2016

DRAFT



POLICY TITLE: FINANCIAL OPERATIONS

POLICY NUMBER: FIN-01

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #FIN-01: It is the policy of the Desert Healthcare District (“District”) to comply fully with the financial statutes of the State of California as they relate to Healthcare Districts.

GUIDELINES:

1. The ultimate responsibility for the District’s financial position and direction rests with the Board of Directors of the Desert Healthcare District (“Board”). Issues such as strategic planning, investment guidelines, funding of projects, major purchases or expenditures and operating budget are to be authorized at the Board level.
2. The Board has established a Finance, Legal, Administration & Real Estate Committee to provide advice and insight to the Board of Directors, Board Treasurer and District staff. The Treasurer chairs the Committee. The Committee is comprised of two (2) additional Board members.
3. The Chief Executive Officer is given the authority and responsibility for conducting the District’s business within the framework of the Board’s policies and governance. The Chief Executive Officer shall be held accountable to the Board for the financial performance of the District.



AUTHORITY

Desert Healthcare District Bylaws Article II, section 2.3

DOCUMENT HISTORY

Approved 06-28-2016

CLEAN



POLICY TITLE: FINANCIAL OPERATIONS

POLICY NUMBER: FIN-01

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #FIN-01: It is the policy of the Desert Healthcare District (“District”) to comply fully with the financial statutes of the State of California as they relate to Healthcare Districts.

GUIDELINES:

1. The ultimate responsibility for the District’s financial position and direction rests with the Board of Directors of the Desert Healthcare District (“Board”). Issues such as strategic planning, investment guidelines, funding of projects, major purchases or expenditures and operating budget are to be authorized at the Board level.
2. The Board has established a Finance, [Legal, Administration & Real Estate](#) Committee to provide advice and insight to the Board of Directors, Board Treasurer and District staff. The Treasurer chairs the Committee, ~~with an additional Board member as second chair.~~ The Committee is comprised of two (2) additional Board~~up to four (4) community~~ members.
3. The Chief Executive Officer is given the authority and responsibility for conducting the District’s business within the framework of the Board’s policies and governance. The Chief Executive Officer shall be held accountable to the Board for the financial performance of the District.



DESERT HEALTHCARE
DISTRICT & FOUNDATION

AUTHORITY

Desert Healthcare District Bylaws Article II, section 2.3

DOCUMENT HISTORY

Approved 06-28-2016

DRAFT



POLICY TITLE: AUTHORIZED CHECK SIGNERS, NUMBER OF SIGNERS, DOLLAR LIMIT FOR SIGNERS, TRANSFER OF FUNDS

POLICY NUMBER: FIN-02

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #FIN-02: It is the policy of the Desert Healthcare District's Board of Directors to prudently disburse funds of the Desert Healthcare District ("District") in order to maintain Board-level oversight. It is intended that this policy covers all accounts and disbursement activities of the District and the Desert Healthcare Foundation ("Foundation").

GUIDELINES:

1. Authorized signers on District and Foundation bank accounts are to be all Board Members and the Chief Executive Officer (CEO).
2. Checks under \$5,000 only require one signature. The CEO may be the one signer for any budgeted item.
3. Checks over \$5,000 require two signatures. (The CEO and one board member or two board members).
4. Checks payable to a check signer (or associated with the check signer) are to be signed by other authorized signers.
5. Transfer of funds are to be authorized by the District/Foundation Treasurer or Board President.

AUTHORITY

Desert Healthcare District Bylaws Article VII

DOCUMENT HISTORY

Approved 03-22-2016



POLICY TITLE: AUTHORIZED CHECK SIGNERS, NUMBER OF SIGNERS, DOLLAR LIMIT FOR SIGNERS, TRANSFER OF FUNDS

POLICY NUMBER: FIN-02

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #FIN-02: It is the policy of the Desert Healthcare District's Board of Directors to prudently disburse funds of the Desert Healthcare District (~~referred to throughout as "the District"~~) in order to maintain Board-level oversight. It is intended that this policy covers all accounts and disbursement activities of the District and the Desert Healthcare Foundation (~~referred to throughout as "the Foundation"~~).

GUIDELINES:

1. Authorized signers on District and Foundation bank accounts are to be all Board Members and the Chief Executive Officer (CEO).
2. Checks under \$5,000 only require one signature. The CEO may be the one signer for any budgeted item.
3. Checks over \$5,000 require two signatures. (The CEO and one board member or two board members).
4. Checks payable to a check signer (or associated with the check signer) are to be signed by other authorized signers.
5. Transfer of funds are to be authorized by the District/Foundation Treasurer or Board President.

AUTHORITY

[Desert Healthcare District Bylaws Article VII](#)

DOCUMENT HISTORY

Approved 03-22-2016



POLICY TITLE: STATEMENT OF INVESTMENT POLICY

POLICY NUMBER: FIN-03

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020
Resolution 20-04

POLICY #FIN-03: It is the policy of the Desert Healthcare District (“District”) Board of Directors pursuant to Government Code Section 53646 to annually approve a Statement of Investment Policy.

1. District funds not required for immediate expenditures will be invested in compliance with the provisions of Government Code section 53600-53683.
 - 1.a Criteria for selecting investments and the absolute order of priority are safety, liquidity, and yield.
 - 1.b Investments will be made in a range of instruments and maturity dates to ensure diversification and liquidity of assets in an emergency or when a large cash outlay is necessary.
2. The instruments of investment to be used are Certificates of Deposit, Local Agency Investment Fund, Treasury Bills and Notes, U.S. Governmental Agency Obligations, Repurchase Agreements, and Savings Accounts.
 - 2.a. Deposits will be fully collateralized as required by Government Code Section 53652 or insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, and the Contract for Deposit of Monies will indicate the type and amount of collateral.
 - 2.b. Investments in repurchased agreements or reverse purchase agreements shall not be made without the prior approval of the Board of Directors and shall be subjected to the provisions of Government Code Section 53601.
 - 2.c. All Certificates of Deposit shall mature no later than one (1) year from the date of investment and Governmental Instruments shall mature no later than five (5) years from the date of investment.



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3. No investment shall be made pursuant to the provisions of Government Code Section 53601.1. in financial futures or financial option contracts without the prior approval of the Board of Directors. Only a Primary Government Securities Dealer shall be used for the purchase of Agency Obligations.
 - 3.a. No Investments shall be made in stocks or holdings of companies which manufacture or sell tobacco products, or securities of companies in the soft drink or restaurant industries.
 - 3.b. A list of investments will be submitted to the Board of Directors on a quarterly basis indicating type, purchase and maturity dates, rate, amount, fund, and percentages.
 - 3.c. A committee of the Board of Directors shall meet no less than on a quarterly basis with staff and District consultants to review District investments, to appraise market conditions, and report to the Board of Directors.

AUTHORITY

State of California Government Code Section 53646

DOCUMENT HISTORY

Approved 06-28-2016



POLICY TITLE: STATEMENT OF INVESTMENT POLICY

POLICY NUMBER: FIN-03

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020
Resolution 20-04

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2. The instruments of investment to be used are Certificates of Deposit, Local Agency Investment Fund, Treasury Bills and Notes, U.S. Governmental Agency Obligations, Repurchase Agreements, and Savings Accounts.
 - 2.a. Deposits will be fully collateralized as required by Government Code Section 53652 or insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, and the Contract for Deposit of Monies will indicate the type and amount of collateral.
 - 2.b. Investments in repurchased agreements or reverse purchase agreements shall not be made without the prior approval of the Board of Directors and shall be subjected to the provisions of Government Code Section 53601.
 - 2.c. All Certificates of Deposit shall mature no later than one (1) year from the date of investment and Governmental Instruments shall mature no later than five (5) years from the date of investment.



DESERT HEALTHCARE
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3. No investment shall be made pursuant to the provisions of Government Code Section 53601.1. in financial futures or financial option contracts without the prior approval of the Board of Directors. Only a Primary Government Securities Dealer shall be used for the purchase of Agency Obligations.
 - 3.a. No Investments shall be made in stocks or holdings of companies which manufacture or sell tobacco products, or securities of companies in the soft drink or restaurant industries.
 - 3.b. A list of investments will be submitted to the Board of Directors on a quarterly basis indicating type, purchase and maturity dates, rate, amount, fund, and percentages.
 - 3.c. A committee of the Board of Directors shall meet no less than on a quarterly basis with staff and District consultants to review District investments, to appraise market conditions, and report to the Board of Directors.

AUTHORITY

State of California Government Code Section 53646

DOCUMENT HISTORY

Approved 06-28-2016



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: June 23, 2020
To: Board of Directors
Subject: Investment Policy FY 2020-2021 – Resolution No. 20-04

Staff Recommendation: Consideration to approve the Investment Policy Resolution for FY 2020-2021.

Background:

- The Desert Healthcare District is required to approve an annual investment policy for the investment of its financial resources.
- The guidelines are included in the attached resolution.
- The investment policy remains unchanged from FY 2019-2020.
- At the June 17, 2020 Board and Staff Communications and Policies Committee meeting, the Committee approved the request and recommended forwarding to the Board for consideration of approval.
- Staff recommends approval of the Investment Policy Resolution No. 20-04.

Fiscal Impact:

N/A

RESOLUTION NO. 20-04

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE DESERT HEALTHCARE DISTRICT
APPROVING STATEMENT OF INVESTMENT POLICY
FOR FISCAL YEAR 2020/2021**

WHEREAS, pursuant to Government Code section 53646, the Board of Directors of the Desert Healthcare District shall annually approve a Statement of Investment Policy; and

WHEREAS, the annual Statement of Investment Policy of the Desert Healthcare District is as follows:

Desert Healthcare District (“District”) funds not required for immediate expenditure will be invested in compliance with the provisions of Government Code sections 53600-53683. Criteria for selecting investments and the absolute order of priority are safety, liquidity, and yield. Investments will be made in a range of instruments and maturity dates to ensure diversification and liquidity of assets in an emergency or when a large cash outlay is necessary.

The instruments of investment to be used are Certificates of Deposit, Local Agency Investment Fund, Treasury Bills and Notes, U.S. governmental Agency Obligations, Repurchase Agreements, and Savings Accounts. Deposits will be fully collateralized as required by government Code section 53652 or insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, and the Contract for Deposit of Monies will indicate the type and amount of collateral.

Investments in repurchase agreements or reverse purchase agreements shall not be made without the prior approval of the Board of Directors and shall be subject to the provisions of Government Code section 53601.

All Certificates of Deposit shall mature not later than one (1) year from the date of investment and Governmental Instruments shall mature not later than five (5) years from the date of investment.

No investment shall be made pursuant to the provisions of Government Code section 53601.1 in financial futures or financial option contracts without the prior approval of the Board of Directors. Only a Primary Government Securities Dealer shall be used for the purchase of Agency Obligations.

No Investments shall be made in stocks or holdings of companies which manufacture or sell tobacco products, or securities of companies in the soft drink or restaurant industries.

Adhering to the provisions of this Statement of Investment Policy, the Chief Executive Officer with District consultants shall coordinate the investment of surplus funds with guidance and approval from the Treasurer and the Board of Directors.

A list of investments will be submitted to the Board of Directors on a quarterly basis indicating type, purchase and maturity dates, rate, amount, fund, and percentages.

A committee of the Board of Directors shall meet no less than on a quarterly basis with staff and District consultants to review District investments, to appraise market conditions, and report to the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Desert Healthcare District as follows:

Section 1: The Annual Statement of Investment Policy for fiscal year 2020/2021 is hereby approved and the District Treasurer is directed to follow this Statement of Investment Policy in investing District funds.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors of the Desert Healthcare District held on June 23, 2020 by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Leticia De Lara, MPA, President
Board of Directors

ATTEST:

Karen Borja, Vice President/Secretary
Board of Directors



POLICY TITLE: BUDGET PREPARATION

POLICY NUMBER: FIN-04

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY# FIN-04: It is the policy of the Desert Healthcare District (“District”) Board of Directors (“Board”) to maintain Board-level oversight of District expenditures through budgetary controls.

GUIDELINES:

1. An annual budget proposal shall be prepared with the process directed and coordinated by the Chief Administration Officer and the Chief Executive Officer. Monthly controls and financial reporting are to be put in place for each line item budget.

2. Prior to review by the Board of Directors, the Board's Finance, Legal, Administration and Real Estate Committee will review and discuss the annual budget proposal, in a meeting open to the public, subject to the Brown Act.

3. The proposed annual budget as recommended by the Finance, Legal, Administration and Real Estate Committee shall be reviewed by the Board at one of its meetings during the last quarter of every year prior to the Fiscal year commencing July 1st, unless otherwise scheduled by the Board, also in a meeting open to the public, subject to the Brown Act.

4. The proposed annual budget, as amended by the Board during its review, shall be adopted by the Board during the last quarter of every year prior to the Fiscal year



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DISTRICT & FOUNDATION

commencing July 1st, unless otherwise scheduled by the Board, in a meeting open to the public, subject to the Brown Act.

AUTHORITY

Desert Healthcare District Bylaws Article IV, section 4.1

DOCUMENT HISTORY

Approved 06-28-2016

CLEAN



POLICY TITLE: BUDGET PREPARATION

POLICY NUMBER: FIN-04

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY# FIN-04: It is the policy of the Desert Healthcare District (“District”) Board of Directors (“Board”) to maintain Board-level oversight of District expenditures through budgetary controls.

GUIDELINES:

1. An annual budget proposal shall be prepared with the process directed and coordinated by the Chief ~~Administration Officer~~~~Financial Officer~~~~Chief Operations Officer~~, and the Chief Executive Officer. Monthly controls and financial reporting are to be put in place for each line item budget.

2. Prior to review by the Board of Directors, the Board's Finance, ~~Legal, & Administration~~ and Real Estate Committee will review and discuss the annual budget proposal, in a meeting open to the public, subject to the Brown Act.

3. The proposed annual budget as recommended by the Finance, ~~Legal &~~ and Real Estate Committee shall be reviewed by the Board at one of its meetings during the last quarter of every year prior to the Fiscal year commencing July 1st, unless otherwise scheduled by the Board, also in a meeting open to the public, subject to the Brown Act.



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4. The proposed annual budget, as amended by the Board during its review, shall be adopted by the Board during the last quarter of every year prior to the Fiscal year commencing July 1st, unless otherwise scheduled by the Board, in a meeting open to the public, subject to the Brown Act.

AUTHORITY

Desert Healthcare District Bylaws Article IV, section 4.1

DOCUMENT HISTORY

Approved 06-28-2016

DRAFT



POLICY TITLE: CREDIT CHARGE USAGE
POLICY NUMBER: FIN-05
COMMITTEE APPROVAL: 06-17-2020
BOARD APPROVAL: 06-23-2020

POLICY #FIN-05: It is the policy of the Desert Healthcare District (“District”) Board of Directors to prescribe the internal controls for management of the District credit card(s).

1. Scope. In general, it is the policy of the District to establish accounts with vendors for invoicing. Credit cards are to be used only for one-time purchases making account establishment impractical, or only for situations where payment by check is not possible (e.g., on-line trainings, etc.).
2. A credit card will be issued to the Chief Executive Officer and/or the Chief Administration Officer. The credit card will not be issued to or used by members of the Board of Directors.
 - 2.a All credit card bills will be paid in a timely manner to avoid late fees and finance charges, whenever possible.
 - 2.b All credit card expenses will be reasonable and necessary to the furtherance of District business. No personal expenses will be charged on a District credit card. If there is an overlap on a transaction between personal and District business, the employee will pay for the transaction personally and then request reimbursement by the District.
 - 2.c All credit card transactions will have third-party documents (receipts) attached and the District purpose annotated by the cardholder.
 - 2.d The Chief Administration Officer will review and approve credit card transactions by all cardholders. The Chief Executive Officer will review and approve credit card transactions by the Chief Administration Officer. The credit card bill with receipts and purpose will be reviewed by the Finance, Legal, Administration, and Real Estate Committee each month.



AUTHORITY

Desert Healthcare District Bylaw Article IV, section 4.1

DOCUMENT HISTORY

Approved 06-28-2016

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DESERT HEALTHCARE
DISTRICT & FOUNDATION

POLICY TITLE: CREDIT CHARGE USAGE

POLICY NUMBER: FIN-05

COMMITTEE APPROVAL: 06-17-2020

BOARD APPROVAL: 06-23-2020

POLICY #FIN-05: It is the policy of the Desert Healthcare District (“District”) Board of Directors to prescribe the internal controls for management of the District credit card(s).

1. Scope. In general, it is the policy of the District to establish accounts with vendors for invoicing. Credit cards are to be used only for one-time purchases making account establishment impractical, or only for situations where payment by check is not possible (e.g., on-line trainings, etc.).
2. A credit card will be issued to the Chief Executive Officer and/or the Chief Financial Officer/Chief Operations Administration Officer. The credit card will not be issued to or used by members of the Board of Directors.
 - 2.a All credit card bills will be paid in a timely manner to avoid late fees and finance charges, whenever possible.
 - 2.b All credit card expenses will be reasonable and necessary to the furtherance of District business. No personal expenses will be charged on a District credit card. If there is an overlap on a transaction between personal and District business, the employee will pay for the transaction personally and then request reimbursement by the District.
 - 2.c All credit -card transactions will have third-party documents (receipts) attached and the District purpose annotated by the cardholder.
 - 2.d The Chief Financial Administration Officer will review and approve credit card transactions by all cardholders. The Chief Executive Officer will review and approve credit card transactions by the Chief Financial Officer/Chief Operations Administration Officer. The credit card bill with receipts and purpose will be reviewed by the Finance, Legal &, Administration, and Real Estate Committee each month.



DESERT HEALTHCARE
DISTRICT & FOUNDATION

AUTHORITY

Desert Healthcare District Bylaw Article IV, section 4.1

DOCUMENT HISTORY

Approved 06-28-2016

DRAFT



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: June 23, 2020
To: Board of Directors
Subject: Desert Healthcare District Employee Handbook 2020

Staff Recommendation: Consideration to approve the new Desert Healthcare District Employee Handbook 2020.

Background:

- Staff has been working in a collaborative effort with Maggie Martinez, the District’s Human Resources Consultant, and Jeff Scott, the District’s Legal Counsel, to create a new/updated Employee Handbook “Handbook”.
- The previous Handbook was created in 2013 and was in need of updating.
- The new Handbook is developed with the 2020 version of the California Chamber of Commerce employee handbook, which includes current HR requirements.
- The Handbook was then edited to include healthcare district requirements and items specific to the Desert Healthcare District. Some are identified below:
 - Employment Classifications and FLSA Classifications (Exempt vs Non-Exempt)
 - The inclusion of the District’s adopted 9/80 work schedule
 - Detailed overtime policy
 - Revised Vacation Accrual from 160 hours maximum to 1.5 times the employee’s accrual schedule
 - Revised Tuition Reimbursement Policy
- At the June 17, 2020 Board and Staff Communications and Policies Committee meeting, the Committee approved the request and recommended forwarding to the Board for consideration of approval.
- Staff recommends approval of the Desert Healthcare District’s Employee Handbook 2020.
- The Handbook is included for your review and consideration of approval.

Fiscal Impact:

N/A



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Employee Handbook

June 2020

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General Employment Policies

Introductory Statement

Welcome! As an employee of Desert Healthcare District (the “District”), you are an important member of a team effort. We hope that you will find your position with the District rewarding, challenging, and productive.

Because our success depends upon the dedication of our employees, we are highly selective in choosing new members of our team. We look to you and the other employees to contribute to the success of the District.

This employee handbook is intended to explain the terms and conditions of employment of all full- and part-time employees and supervisors. Written employment contracts between the Desert Healthcare District and some individuals may supersede some of the provisions of this handbook.

This handbook summarizes the policies and practices in effect at the time of publication. This handbook supersedes all previously issued handbooks and any policy or benefit statements or memoranda that are inconsistent with the policies described here. Your supervisor or manager will be happy to answer any questions you may have.

Harassment Discrimination and Retaliation Prevention

Desert Healthcare District is an equal opportunity employer. The District is committed to providing a work environment free of harassment, discrimination, retaliation, and disrespectful or other unprofessional conduct based on:

- Race
- Religion (including religious dress and grooming practices)
- Color
- Sex/gender (including pregnancy, childbirth, breastfeeding or related medical conditions), sex stereotype, gender identity/gender expression/transgender (including whether or not you are transitioning or have transitioned) and sexual orientation
- National origin
- Ancestry
- Physical or mental disability
- Medical condition
- Genetic information/characteristics
- Marital status/registered domestic partner status
- Age (40 and over)
- Sexual orientation
- Military or veteran status
- Any other basis protected by federal, state or local law or ordinance or regulation

The District also prohibits discrimination, harassment, disrespectful or unprofessional conduct based on the perception that anyone has any of those characteristics or is associated with a person who has or is perceived as having any of those characteristics. In addition, the District prohibits retaliation against individuals who raise complaints of discrimination or harassment or who participate in workplace investigations.

All such conduct violates District policy.

Harassment Prevention and Training

The District's policy prohibiting harassment applies to all persons involved in the operation of the District. The District prohibits harassment, disrespectful or unprofessional conduct by any employee of the District, including supervisors, managers and co-workers. The District's anti-harassment policy also applies to vendors, customers, independent contractors, unpaid interns, volunteers, persons providing services pursuant to a contract and other persons with whom you come into contact while working.

Prohibited harassment, disrespectful or unprofessional conduct includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations, comments, posts or messages;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race or any other protected basis;
- Threats and demands to submit to sexual requests or sexual advances as a condition of continued employment, or to avoid some other loss and offers of employment benefits in return for sexual favors;
- Retaliation for reporting or threatening to report harassment; and
- Communication via electronic media of any type that includes any conduct that is prohibited by state and/or federal law or by District policy.

Sexual harassment does not need to be motivated by sexual desire to be unlawful or to violate this policy. For example, hostile acts toward an employee because of their gender can amount to sexual harassment, regardless of whether the treatment is motivated by sexual desire.

Prohibited harassment is not just sexual harassment but harassment based on any protected category.

All employees shall be required to participate in a District sponsored harassment education and training course within six months of hire and at least once every two-years thereafter. The training programs offered by the District will comply with all local, state, and federal requirements.

Non-Discrimination

The District is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in District operations. The District prohibits unlawful discrimination against any job applicant, employee or unpaid intern by any employee of the District, including supervisors and coworkers.

Pay discrimination between employees of the opposite sex or between employees of another race or ethnicity performing substantially similar work, as defined by the California Fair Pay Act and federal law, is prohibited. Pay differentials may be valid in certain situations defined by law.

Employees will not be retaliated against for inquiring about or discussing wages. However, the District is not obligated to disclose the wages of other employees.

Anti-Retaliation

The District will not retaliate against you for filing a complaint or participating in any workplace investigation or complaint process, and will not tolerate or permit retaliation by management, employees or co-workers.

Reasonable Accommodation

Discrimination can also include failing to reasonably accommodate religious practices or qualified individuals with disabilities where the accommodation does not pose an undue hardship.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the District will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result.

Any job applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact the Chief Administration Officer and discuss the need for an accommodation. The District will engage in an interactive process with the employee to identify possible accommodations, if any, that will help the applicant or employee perform the job. An applicant, employee or unpaid intern who requires an accommodation of a religious belief or practice (including religious dress and grooming practices, such as religious clothing or hairstyles) should also contact the Chief Administration Officer and discuss the need for an accommodation. If the accommodation is reasonable and will not impose an undue hardship, the District will make the accommodation.

The District will not retaliate against you for requesting a reasonable accommodation and will not knowingly tolerate or permit retaliation by management, employees or co-workers.

Complaint Process

If you believe that you have been the subject of harassment, discrimination, retaliation or other prohibited conduct, bring your complaint to the Chief Administration Officer or alternatively to the following as soon as possible after the incident:

- Chief Executive Officer
- The District's Legal Counsel

You can bring your complaint to any of these individuals. If you need assistance with your complaint, or if you prefer to make a complaint in person, contact the Chief Administration Officer. Please provide all known details of the incident or incidents, names of individuals involved and names of any witnesses. It would be best to communicate your complaint in writing, but it is not mandatory.

The District encourages all individuals to report any incidents of harassment, discrimination, retaliation or other prohibited conduct forbidden by this policy immediately so that complaints can be quickly and fairly resolved.

You also should be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment, discrimination and retaliation in employment. If you think you have been harassed or discriminated against or that you have been retaliated against for resisting, complaining or participating in an investigation, you may file a complaint with the appropriate agency. The nearest office can be found by visiting the agency websites at www.dfeh.ca.gov and www.eeoc.gov.

Supervisors must refer all complaints involving harassment, discrimination, retaliation or other prohibited conduct to the Chief Administration Officer of the District, so the District can try to resolve the complaint.

When the District receives allegations of misconduct, it will immediately undertake a fair, timely, thorough and objective investigation of the allegations in accordance with all legal requirements. The District will reach reasonable conclusions based on the evidence collected.

The District will maintain confidentiality to the extent possible. However, the District cannot promise complete confidentiality. The employer's duty to investigate and take corrective action may require the disclosure of information to individuals with a need to know.

Complaints will be:

- Responded to in a timely manner
- Kept confidential to the extent possible
- Investigated impartially by qualified personnel in a timely manner
- Documented and tracked for reasonable progress
- Given appropriate options for remedial action and resolution
- Closed in a timely manner

If the District determines that harassment, discrimination, retaliation or other prohibited conduct has occurred; appropriate and effective corrective and remedial action will be taken in accordance with the circumstances involved. The District will also take appropriate action to deter future misconduct.

Any employee determined by the District to have engaged in harassment, discrimination, retaliation or other prohibited conduct will be subject to appropriate disciplinary action, up to, and including termination. Employees should also know that if they engage in unlawful harassment, they can be held personally liable for the misconduct.

At-Will Employment Status

Desert Healthcare District personnel are employed on an at-will basis. This means that the employment relationship may be terminated at any time with or without reason or advance notice by either the employee or the District. Nothing in this handbook limits the right to terminate at-will employment.

No employee or representative of the District has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment on other than at-will terms. Only the Chief Executive Officer of Desert Healthcare District has the authority to make any such agreement, which is binding only if it is in writing.

Nothing in this at-will statement is intended to interfere with an employee's rights to communicate or work with others toward altering the terms and conditions of their employment, such as communications regarding wages, scheduling or other terms of employment.

Right to Revise

This employee handbook contains the employment policies and practices of the Desert Healthcare District in effect at the time of publication. All previously issued handbooks and any inconsistent policy statements or memoranda are superseded.

The District reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this handbook at any time, except for the policy of at-will employment.

Any written changes to this handbook will be distributed to all employees so that you will be aware of any new policies or procedures. No oral statements or representations can in any way alter the provisions of this handbook.

This handbook contains the entire agreement between you and the District as to the duration of employment and the circumstances under which employment may be terminated. Nothing in this employee handbook or any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

Nothing in this statement is intended to interfere with your right to communicate or work with others toward altering the terms and conditions of your employment, such as communications regarding wages, scheduling or other terms or conditions of employment.

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Hiring

Employment Classifications

Regular Employees

Regular employees are those who are hired to work on a regular schedule. Regular employees may be classified as full-time or part-time.

Full-Time Employees

Regular full-time employees are those who are scheduled for and do work 40 hours per week. Regular full-time employees are eligible for most employee benefits described in this handbook. Benefit eligibility may depend on length of continuous service. Benefit eligibility requirements may also be imposed by the plans themselves or by law.

Part-Time Employees

Part-time employees are those who are scheduled for and do work fewer than 40 hours per week. Part-time employees are eligible for prorated holiday benefits.

Temporary Employees

Temporary employees are those employed for short-term assignments. Short-term assignments generally are periods of three months or fewer; however, such assignments may be extended. Temporary employees are not eligible for employee benefits except those mandated by applicable law.

Inactive Status

Employees who are on any type of leave of absence, work-related or non-work-related, that exceeds any protected state, federal or local leave of absence will be placed on inactive status.

FLSA Classifications

Federal and state laws exempt certain employees from wage and hour requirements, including overtime pay and meal and rest break requirements.

Exempt Classification

Exempt employees must:

1. Be primarily engaged in executive, administrative or professional duties;
2. Regularly and customarily exercise discretion and independent judgment at work; and
3. Earn a salary equivalent to at least twice the state minimum wage for full-time (40 hours/week) work.

Non-Exempt Classification

All other employees generally fall under the non-exempt category. All non-exempt employees are covered by the state and federal wage and hour laws.

Job Duties

During the introductory period, your supervisor will explain your job responsibilities and the performance standards expected of you. Please keep in mind that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects, or to assist with other work necessary or important to the operation of your department or the District. Your cooperation and assistance in performing such additional work is expected.

The District reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

New Hires

The first 180 days of continuous employment at the District is considered an introductory period. During this time, you will learn your responsibilities, get acquainted with co-workers and determine whether or not you are happy with your job. Your supervisor will closely monitor your performance.

Completion of the introductory period does not entitle you to remain employed by the District for any definite period of time. Your status as an at-will employee does not change. The employment relationship may be terminated with or without cause and with or without advance notice, at any time by you or the District.

Time Off and Leaves of Absence

Bereavement Leave

The Desert Healthcare District grants leave of absence to employees in the event of the death of the employee's current spouse, registered domestic partner/significant other, child, parent, legal guardian, brother, sister, grandparent, or grandchild; or mother-, father-, sister-, brother-, son-, or daughter-in-law. An employee with such a death in the family may take up to three (3) consecutive scheduled workdays off with pay with the approval of the District. The employee's supervisor may approve additional unpaid time off in the event additional time off is needed; a request may be made to use any available accrued vacation time to cover the absence. Documentation may be required to support the bereavement leave benefit.

Domestic Violence, Sexual Assault or Stalking Leave and Accommodation

If you are the victim of domestic violence, sexual assault or stalking, you are eligible for unpaid leave. While the leave is generally unpaid, employees can use their paid sick time under California's Healthy Workplaces, Healthy Families Act for the purposes described below.

You may request leave if you are involved in a legal action, such as obtaining restraining orders, or appearing in court to obtain relief to ensure your or your child's health, safety, or welfare. Please provide reasonable advance notice of the need for leave, unless advance notice is not feasible. Contact the Chief Administration Officer.

If you need a reasonable accommodation for your safety at work, contact the Chief Administration Officer. If you are requesting a reasonable accommodation, you will need to submit a written statement signed by you, or by an individual acting on your behalf, certifying that the accommodation is for the purpose of your safety at work.

For reasonable accommodation requests, the District will also require certification demonstrating that you are the victim of domestic violence, sexual assault or stalking. The District may request recertification every six months. Please notify the District if an approved accommodation is no longer needed.

The District will engage in an interactive process with you to identify possible accommodations, if any, that are effective and will make reasonable accommodations unless an undue hardship will result.

The District will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave or accommodation under these provisions.

Domestic Violence, Sexual Assault or Stalking Leave for Treatment

Employees who are victims of domestic violence, sexual assault or stalking are eligible for unpaid leave. Although the leave is generally unpaid, employees can use their paid sick time under California's Healthy Workplaces, Healthy Families Act for the purposes described below.

You may request leave for any of the following purposes:

- To seek medical attention for injuries caused by domestic violence, sexual assault or stalking;
- To obtain services from a domestic violence shelter, program or rape crisis center as a result of domestic violence, sexual assault or stalking;
- To obtain psychological counseling related to experiencing domestic violence, sexual assault or stalking;
- To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault or stalking including temporary or permanent relocation.

Please provide reasonable advance notice of the need for leave unless advance notice is not feasible. Contact the Chief Administration Officer.

The District will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave under this provision.

The length of unpaid leave an employee may take is limited to 12 weeks provided for in the federal Family and Medical Leave Act (FMLA) for eligible employees.

Extended Medical Leave

On occasion, an employee may need a medical leave of absence that extends beyond limits under any state or federal mandatory leave law. In addition, there may be circumstances when an employee needs a medical leave allowed under disability laws and in accordance with this policy.

In these situations, an extended medical leave of absence may be granted for medical disabilities (other than pregnancy, childbirth, and related medical conditions) with a doctor's written certificate of disability. Extended disability leaves will also be considered on a case-by-case basis, consistent with the District's obligations under federal and state disability laws.

Employees should request any leave in writing and as far in advance as possible.

A medical leave begins on the first day your doctor certifies that you are unable to work and ends when your doctor certifies that you are able to return to work. The Chief Administration Officer will provide you with a form for your doctor to complete, showing the date you were disabled and the estimated date you will be able to return to work. When returning from a medical disability leave, you must present a doctor's certificate declaring fitness to return to work.

Upon return from medical leave, you will be offered the same position you held at the time your leave began, if available. If your former position is not available, a comparable position will be offered. If neither the same nor a comparable position is available, your return to work will depend on job openings existing at the time of your scheduled return. The District makes no guarantees of reinstatement, and your return will depend on your qualifications for existing openings. The District will comply with any reinstatement obligations under state or federal law.

California workers' compensation laws govern work-related injuries and illnesses. California pregnancy disability laws govern leaves taken because of pregnancy, childbirth, and related medical conditions.

An employee that needs reasonable accommodations should contact the Chief Administration Officer and discuss the need for an accommodation.

Substitution of Paid Leave

Generally, leave is unpaid. The District may require, or you may choose, to use accrued paid leave while taking leave. In order to use paid leave, you must comply with the District's normal paid leave policies. For more information on those specific circumstances requiring or allowing the substitution of paid leave contact Chief Administration Officer.

Time Accrual

Please contact the Chief Administration Officer with any questions regarding accrual of other District provided paid leave benefits (such as vacation, or sick leave) during unpaid leave.

Jury Duty and Witness Leave

The District encourages employees to serve on jury duty when called. Non-exempt employees who have completed their introductory periods will receive full pay while serving up to ten (10) days of jury duty. Exempt employees will receive full salary unless they are absent for a full week and perform no work. You should notify your supervisor of the need for time off for jury duty as soon as a notice or summons from the court is received. You may be requested to provide written verification from the court clerk of performance of jury service. If work time remains after any day of jury selection or jury duty, you will be expected to return to work for the remainder of your work schedule.

Fees Paid by the Court

Employees may retain any mileage allowance or other fee paid by the court for jury services.

Military Leave

Employees who wish to serve in the military and take military leave should contact the Chief Administration Officer for information about their rights before and after such leave. You are entitled to reinstatement upon completion of military service, provided you return or apply for reinstatement within the time allowed by law.

Personal Leave

A personal leave of absence without pay may be granted at the discretion of the Chief Executive Officer. Requests for personal leave should be limited to unusual circumstances requiring an absence of longer than two (2) weeks. Approved personal absences of shorter duration are not normally treated as leaves, but rather as excused absences without pay.

Pregnancy Disability Leave

If you are pregnant, have a related medical condition, or are recovering from childbirth, please review this policy. Any employee planning to take pregnancy disability leave (PDL) should advise the Chief Administration Officer as early as possible. Please make an appointment with the Chief Administration Officer to discuss the following conditions:

- The length of pregnancy disability leave will be determined by the advice of a physician, but employees disabled by pregnancy may take up to four months of leave per pregnancy (the working days you normally would work in one-third of a year or 17 1/3 weeks). Part-time employees are entitled to leave on a pro rata basis. The four months of leave includes any period of time for actual disability caused by the pregnancy, childbirth, or related medical condition. This includes leave for severe morning sickness and for prenatal care, doctor-ordered bed rest, as well as other reasons. Your healthcare provider determines how much time you need for your disability;
- The District will also reasonably accommodate medical needs related to pregnancy, childbirth, or related conditions or temporarily transfer you to a less strenuous or hazardous position (where one is available) or duties if medically needed because of your pregnancy;
- If you need to take PDL, you must inform the District when a leave is expected to begin and how long it will likely last. If the need for a leave, reasonable accommodation, or transfer is foreseeable (such as the expected birth of a child or a planned medical treatment for yourself), you must provide at least 30 days' advance notice before the PDL or transfer is to begin. Consult with the Chief Administration Officer regarding the scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of the District. Any such scheduling is subject to the approval of a health care provider;
- For emergencies or events that are unforeseeable, we need you to notify the District, at least verbally, as soon as practical after you learn of the need for the leave;
- Failure to comply with these notice requirements may result in delay of PDL, reasonable accommodation, or transfer;
- Pregnancy leave usually begins when ordered by a health care provider. You must provide the District with a written certification from a health care provider for need of PDL, reasonable accommodation or transfer. The certification must be returned no later than 15 calendar days after it is requested by the District. Failure to do so may, in some

circumstances, delay PDL, reasonable accommodation or transfer. Please see the personnel department for a medical certification form to give to your health care provider;

- Leave returns will be allowed only when a health care provider sends a release; the release to work should indicate whether the employee is released to full duty, with or without restrictions.
- You are allowed to use accrued sick time (if otherwise eligible to take the time) during PDL. You are allowed to use accrued vacation or personal time (if otherwise eligible to take the time) during PDL; and
- Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed. Leave may be taken in increments of 15 minutes.

If intermittent leave or leave on a reduced work schedule is medically advisable you may, in some instances, be required to transfer temporarily to an available alternative position that meets your needs. The alternative position does not need to have equivalent job duties but must have the equivalent rate of pay and benefits, and you must be qualified for the position. The position must better accommodate your leave requirements than your regular job. Transfer to an alternative position can include altering an existing job to better accommodate your need for intermittent leave or a reduced work schedule. This will be evaluated through the interactive process using the healthcare provider's restrictions as a basis to identify reasonable accommodations, if any.

When your health care provider releases you to return to work, from PDL, you will be reinstated to your same position held at the time the leave began or, in certain instances, to a comparable position, if available. There are limited exceptions to this policy. An employee returning from a pregnancy disability leave has no greater right to reinstatement than if the employee had been continuously employed.

If you are on PDL, you will be allowed to continue to participate in group health insurance coverage for up to a maximum of four months of disability leave (if such insurance was provided before the leave was taken) at the level and under the conditions that coverage would have been provided if you had continued in employment continuously for the duration of the leave. In some instances, the District can recover premiums paid to maintain your health coverage if you fail to return from PDL. PDL may impact other benefits or a seniority date. Please contact the Chief Administration Officer for more information.

School Appearances Involving Suspension

If you are the parent or guardian of a child facing suspension from school is summoned to the school to discuss the matter, you should alert your supervisor as soon as possible before leaving work. In agreement with California Labor Code Section 230.7, no discriminatory action will be taken against an employee who takes time off for this purpose.

Sick Leave

The District grants paid sick leave to employees to guard against loss of earnings due to illness. Supervisors have the principal responsibility for the proper and consistent application of the sick leave policy. Abuse of sick leave in any form can have serious impact on the morale and effectiveness of all members of a group or office.

California provides for mandatory paid sick leave under the Healthy Workplaces, Healthy Families Act (the "Act"). The District's paid sick leave policy complies with the requirements of the Act and the Americans with Disabilities Act (ADA).

You cannot be discriminated or retaliated against for requesting or using accrued paid sick time. If you have any questions about paid sick leave, please contact the Chief Administration Officer.

Eligible Employees

All eligible employees who have worked in California for the same employer for 30 or more days within a year from the start of their employment will be entitled to paid sick time. However, employees are not eligible to take paid sick time until they have worked for the District for 90-days from their date of hire.

Sick Pay Amount

Eligible employees will receive sick leave as follows:

Eligible employees earn sick leave at the rate of 3.08 hours of paid sick time per pay period. At a minimum, employees will have at least 24 hours of paid sick time by the 120th calendar day of employment, each calendar year or in each 12-month period.

You will need to meet a 90-day employment requirement before taking any accrued and available leave.

Exempt employees are presumed to work 40 hours per workweek for purposes of sick time accrual. If their normal workweek is less than 40 hours, accrual will be based on their normal workweek. The District does not pay employees for unused paid sick leave.

Employees may earn a maximum of 240 hours paid sick time. After you have reached this maximum amount, no additional paid sick time will be earned until some or all of your accrued paid sick time is used.

Qualifying Reasons for Paid Sick Leave

Paid sick time can be used for the following reasons:

- Diagnosis, care or treatment of an existing health condition for an employee or covered family member, as defined below.
- Preventive care for an employee or an employee's covered family member.
- For certain, specified purposes when the employee is a victim of domestic violence, sexual assault or stalking.

For purposes of paid sick leave, a covered "family member" includes:

- A "child" defined as a biological, foster or adopted child; a stepchild; or a legal ward, regardless of the age or dependency status of the child. A "child" also may be someone for whom you have accepted the duties and responsibilities of raising, even if they are not your legal child.
- A "parent," defined as a biological, foster or adoptive parent; a stepparent; or a legal guardian of an employee or the employee's spouse or registered domestic partner. A parent may also be someone who accepted the duties and responsibilities of raising you when you were a minor child, even if they are not your legal parent.
- A spouse.
- A registered domestic partner.
- A grandparent.
- A grandchild.
- A sibling.

Use of Paid Sick Leave

If the need for paid sick leave is foreseeable, you must provide advance oral or written notification to the Chief Administration Officer. If the need for paid sick leave is not foreseeable, provide notice to the Chief Administration Officer as soon as practical.

Use of paid sick time may run concurrently with other leaves under local, state or federal law. Accrued and available sick leave may be used to cover waiting periods for disability insurance or paid family leave benefits with the State of California.

Paid sick leave can be used in 1 hour increments.

Use of Paid Sick Leave Before Unpaid Leave

If you are taking an unpaid leave of absence, there are circumstances where you may be required to use your accrued and unused sick leave before taking unpaid leave or having unpaid absences. In other circumstances, you can choose to use sick leave before taking unpaid leave or having unpaid absences, but it is not required. It will depend on the type of leave you are taking and/or any applicable federal and state leave requirements. Please contact the Chief Administration Officer to discuss coordination of your benefits.

Time Off for Voting

If you do not have sufficient time outside of working hours to vote in an official statewide election, you may take off enough working time to vote, including up to two hours off without loss of pay. This time should be taken at the beginning or the end of the regular working shift, whichever allows for more free time for voting and the least time off work. When possible, an employee requesting time off to vote shall give their supervisor at least two working days' notice.

Vacation

The District believes that vacation is important to the health and well-being of our employees and encourages all employees to utilize their vacation benefit to balance their work and personal lives. The purpose of offering paid time off is to provide employees with flexibility from work that be used for such needs as vacation, personal or family business, appointments, volunteerism, and other activities of the employee's choice. The District's goal is to provide time for personal rejuvenation and to reduce unscheduled absences.

Vacation Accrual from First Day

Regular full-time employees are entitled to accrue:

- 1-4 years = 10 days per year
- 5-9 years = 15 days per year
- 10 years and thereafter = 20 days per year

Active service begins on your first day of work and continues thereafter unless broken by an absence without pay, a leave of absence, or termination of employment. Temporary and part-time employees do not accrue paid vacation.

Vacation can accrue up to a maximum of 1.5 times the employee's accrual schedule. No additional vacation will be earned until accrued vacation time falls below the employee's vacation accrual threshold.

You become eligible to take accrued vacation after 90 days of active service as work schedules permit.

Vacations are scheduled to provide adequate coverage of job responsibilities and staffing requirements. Every effort will be made to permit employees to take their vacations at the times they wish. However, Desert Healthcare District's operating needs will take priority. Accordingly, vacation schedules must be coordinated with and approved by supervisor in advance. Employees must submit a request in writing for vacation well in advance of the dates desired.

When your employment relationship with the District ends, you will be paid for accrued unused vacation days.

Use of Vacation Before Unpaid Leave

If you are taking an unpaid leave of absence, there are circumstances where you may be required to use your accrued and unused vacation before taking unpaid leave or having unpaid absences. In other circumstances, you can choose to use vacation before taking unpaid leave or having unpaid absences, but it is not required. It will depend on the type of leave you are taking and/or federal and state leave requirements.

Please contact the Chief Administration Officer to discuss coordination of your benefits.

Victims of Crime Leave

If you are the victim, or the family member of a victim of certain serious crimes, you may take time off from work to attend judicial proceedings related to the crime or to attend proceedings involving rights of the victim.

If you are the family member of a crime victim, you may be eligible to take this leave if you are the crime victim's spouse, parent, child or sibling. Other family members may also be covered, depending on the purpose of the leave.

The absence from work must be in order to attend judicial proceedings or proceedings involving rights of the victim. Only certain crimes are covered. You must provide reasonable advance notice of your need for leave and documentation related to the proceeding may be required. If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence.

Any absences from work to attend judicial proceedings or proceedings involving victim rights are unpaid, unless you choose to use accrued and unused vacation leave benefits.

For more information regarding this leave (including whether you are covered, when and what type of documentation is required and which type of paid time off can be used), please contact the Chief Administration Officer.

Volunteer Civil Service Personnel

No employee shall be disciplined for taking time off to perform emergency duty as a volunteer firefighter, peace officer, or emergency rescue personnel. Employees who perform emergency duty as a volunteer firefighter, reserve peace officer, or emergency rescue personnel may also take up to a total of fourteen days' unpaid leave time per calendar year to engage in required fire, law enforcement or emergency rescue training.

Please alert your supervisor that you may have to take time off for emergency duty or emergency duty training. When taking time off for emergency duty, please alert your supervisor before doing so when possible.

Benefits

Benefits Overview

The Desert Healthcare District is committed to providing the following benefits for eligible employees. Benefit eligibility may be dependent upon your employee classification (full-time versus part-time, for example) and on length of continuous employment at the District. Benefit eligibility requirements may also be imposed by the plans themselves.

Upon becoming eligible for certain employee benefit plans, you will receive Summary Plan Descriptions which describe the benefits in greater detail. For information regarding employee benefits and to answer any questions you may have contact the Chief Administration Officer.

The District reserves the right to modify, amend or terminate benefits and to modify or amend benefit eligibility requirements at any time and for any reason, subject to any legal restrictions. The District offers the following employee benefits; with the exception of participation in the retirement plan, employees are eligible for coverage effective the 1st day of the month following the date of hire. Coverage in the plans is contingent on timely completion and submission of enrollment materials.

- Health Insurance
- Dental Insurance
- Vision Insurance
- Short-term Disability Insurance
- Long-term Disability Insurance
- Life Insurance
- Out-of-Pocket Expense Reimbursement- dollar threshold determined by the District
- Retirement Plan – Eligibility Date – 1st of the month 6 months following Hire Date

Health Benefits Extension (COBRA)

Unless a health benefits extension is covered by state or federal law, benefits will terminate according to our insurance carrier's policy. Employees on inactive status may be eligible under the Consolidated Omnibus Budget Reconciliation Act (COBRA) or the California Continuation Benefits Replacement Act (Cal-COBRA) to elect to continue their health care coverage at the employee's expense.

Contact the Chief Administration Officer for more information.

Retirement Plan

The District offers its full-time and part-time employees the ability to participate in its 457 (b) and 401 (a) retirement programs which are regulated by Federal Law. Employees may enroll in the plan once they have completed six (6) months of service and are at least 21 years of age.

Pursuant to the plan, the District contributes a Dollar for Dollar Match for the first 4% of employee salary deferral - (Level Two) and Two Dollar for Dollar Match for the next 2% of employee salary deferral - (Level One). Specifics of the plan are available in the Summary Plan for the retirement plans.

Holidays

The Desert Healthcare District observes the following paid holidays:

- January 1 (New Year's Day)
- Martin Luther King Jr.'s Birthday
- Presidents' Day
- Memorial Day
- July 4th (Independence Day)
- Labor Day
- Veteran's Day
- Thanksgiving Day and the Friday after
- Christmas Eve
- Christmas Day
- Floating Personal Day

When a holiday falls on a Saturday or Sunday, it is usually observed on the preceding Friday or the following Monday. However, the District may grant another day off in lieu of closing. Holiday observance will be announced in advance.

Non-exempt employees are eligible for paid holidays after completion of the introductory period. Holidays that are paid but not worked do not count for overtime purposes. To be eligible for a paid holiday, you must be regularly scheduled to work on the day on which the holiday is observed and must work your regularly scheduled working days immediately before and immediately after the holiday, unless an absence on either day is approved in advance by your supervisor or the absence is otherwise protected by law. If you are required to work on a paid scheduled holiday you will receive straight time.

Lactation Accommodation

The Desert Healthcare District recognizes lactating employees' rights to request lactation accommodation and accommodates lactating employees by providing a reasonable amount of break time and a suitable lactation location to any employee who desires to express breast milk for their infant child, subject to any exemption allowed under applicable law.

If possible, the break time should run concurrently with your normally scheduled break time. Any break time to express breast milk that does not run concurrently with your normally scheduled break time is unpaid.

The lactation location will be private (shielded from view and free from intrusion from co-workers and the public) and located close to your work area. The location will be safe, clean and free of toxic or hazardous materials; have a surface to place a breast pump and other personal items; have a

place to sit; and have access to electricity or alternative devices (including, but not limited to extension cords or charging stations) needed to operate an electric or battery-powered breast pump. The District will also provide access to a sink with running water and a refrigerator suitable for storing milk in close proximity to your workspace. If a refrigerator cannot be provided, the District will provide another cooling device suitable for storing milk, such as an employer-provided cooler. The lactation location will not be a bathroom or restroom. The room or location may include an employee's private office if it otherwise meets the requirements of the lactation space. Multi-purpose rooms may be used as lactation space if they satisfy the requirements for space; however, use of the room for lactation takes priority over other uses for the time it is in use for lactation purposes.

Employees who desire lactation accommodations should contact the Chief Administration Officer to request accommodations. An employee's request may be provided orally, by email, or in writing, and need not be submitted on a specific form. The District will engage in an interactive process with you to determine when and where lactation breaks will occur. If the District cannot provide break time or a location that complies with this policy, a written response to your request will be provided.

The District will not tolerate discrimination or retaliation against employees who exercise their rights to lactation accommodation, including those who request time to express milk at work and/or who lodge a complaint related to the right to lactation accommodation. If you believe you have been denied reasonable break time or adequate space to express milk, or have been otherwise denied your rights related to lactation accommodation, you have the right to file a complaint with the Labor Commissioner.

Paid Family Leave

Employees may be eligible for Paid Family Leave (PFL) wage replacement benefits, which are funded through payroll deductions and coordinated through the Employment Development Department (EDD). PFL provides partial pay for up to six weeks when you need to take leave from work to care for a parent, parent-in-law, child, spouse, registered domestic partner, grandparent, grandchild, or sibling who is seriously ill, or if you want time to bond with your newborn, foster child or newly adopted child. The PFL program does not provide employees with a right to a leave of absence; it is limited to a state-mandated wage replacement benefit.

Professional Development

(Previously referred to as Advancement Incentive for Employees)

Some employees may need to attend training programs, seminars, conferences, lectures, meetings, or other outside activities for the benefit of the District or the individual employees. Attendance at such activities, whether required by the District or requested by individual employees, requires the written approval of the Chief Executive Officer. To obtain approval, any employee wishing to attend an activity must submit a written request detailing all relevant information, including date, hours, location, cost, expenses, and the nature, purpose, and justification for attendance.

Attendance at any such event is subject to the following policies on reimbursement and compensation. For attendance at events required or authorized by the District, customary and reasonable expenses will be reimbursed upon submission of proper receipts. Acceptable expenses generally include registration fees, materials, meals, transportation, and parking. Reimbursement policies regarding these expenses should be discussed with the Chief Administration Officer in advance.

Employee attendance at authorized outside activities will be considered hours worked for non-exempt employees and will be compensated in accordance with normal payroll practices. This policy does not apply to an employee's voluntary attendance, outside of normal working hours, at formal or informal educational sessions, even if such sessions generally may lead to improved job performance. While the District generally encourages all employees to improve their knowledge, job skills, and promotional qualifications, such activities do not qualify for reimbursement or compensation under this policy unless prior written approval is obtained as described previously.

Tuition Reimbursement Program

(Previously referred to as the Education Incentive Program)

The District is proud to offer a Tuition Reimbursement Program to help current eligible employees further their education. The program's intent is to expand the employee's knowledge, skills and abilities, and thereby, enhance job performance, value to the organization, and access to job/career opportunities.

The Tuition Reimbursement Program is open only to fulltime regular employees in good standing who have completed one (1) year of employment. Coursework must be pre-approved and must be related to the employee's current job, or a future job in support of the District's mission and objectives. Courses must be provided by an accredited trade school or institution of higher learning (including on-line programs). Courses must be taken on the employee's time or during approved time-off.

The District Board establishes an annual allocation for this benefit; benefits limits will be adjusted for employees who receive educational benefits through a federal or state Veteran's educational benefit program, for a benefit total not to exceed the annual benefit allocation. Any amounts paid to an employee in excess of IRS limits will be reported as additional compensation.

Eligible expenses include tuition, registration fees, textbooks, and laboratory fees if any. Ineligible expenses include parking, travel, meals, and other incidentals. Graded courses must be completed with a grade of "B" or better; non-graded courses must receive a "Pass" designation. Courses that are audited or marked incomplete are not eligible for reimbursement. A copy of the final transcript must be provided for reimbursement.

Workers' Compensation

The District, in accordance with state law, provides insurance coverage for employees in case of work-related injury or illness. The workers' compensation benefits provided to injured employees may include:

- Medical care;
- Cash benefits, tax free, to replace lost wages; and
- Assistance to help qualified injured employees return to suitable employment.

To ensure that you receive any workers' compensation benefits to which you may be entitled, you need to:

- Immediately report any work-related injury to your supervisor;
- Seek medical treatment and follow-up care if required;
- Complete a written Employee's Claim for Workers' Compensation Benefits (DWC Form 1) and return it to Chief Administration Officer; and
- Provide the District with a certification from your health care provider regarding the need for workers' compensation disability leave, as well as your eventual ability to return to work from the leave.

Upon submission of a medical certification that an employee is able to return to work after a workers' compensation leave, the employee under most circumstances will be reinstated to their same position held at the time the leave began, or to an equivalent position, if available. An employee returning from a workers' compensation leave has no greater right to reinstatement than if the employee had been continuously employed rather than on leave.

An employee's return depends on their qualifications for any existing openings. If, after returning from a workers' compensation disability leave, an employee is unable to perform the essential functions of their job because of a physical or mental disability, the District's obligations to the employee may include reasonable accommodation, as governed by the Americans with Disabilities Act (ADA), or the California Fair Employment and Housing Act (FEHA).

The law requires the District to notify the workers' compensation insurance District of any concerns of false or fraudulent claims.

Paid Sick Leave and Workers' Compensation Benefits

Paid sick leave is a benefit that also covers absences for work-related illness or injury. Employees who have a work-related illness or injury are covered by workers' compensation insurance. However, workers' compensation benefits usually do not cover absences for medical treatment. When you report a work-related illness or injury, you will be sent for medical treatment, if treatment is necessary. You will be paid your regular wages for the time you spend seeking initial medical treatment.

Any further medical treatment will be under the direction of the health care provider. Any absences from work for follow-up treatment, physical therapy or other prescribed appointments will not be paid as time worked. If you have accrued and unused sick leave, you may choose to substitute paid sick leave for any time that would otherwise be unpaid.

If you do not have accrued, paid sick leave, or if you have used all of your sick leave, you may choose to substitute vacation/paid time off for further absences from worked, related to your illness or injury.

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Management

Employee Property

An employee's personal property, including but not limited to lockers, packages, briefcases, purses, messenger bags, and backpacks, may be inspected upon reasonable suspicion of unauthorized possession of Desert Healthcare District property, possession of dangerous weapons or firearms, or abuse of the District's drug and alcohol policy.

Employment of Relatives

Relatives of present employees or relatives of the District's current and former Board of Directors are not eligible for employment with Desert Healthcare District. The District defines "relatives" as spouses, registered domestic partners, children, siblings, parents, in-laws, and step-relatives. Present employees who marry or become registered domestic partners will be permitted to continue working in the job position held only if they do not work in a direct supervisory relationship with one another or in job positions involving conflict of interest.

In the event that two employees marry, become registered domestic partners, or become related through marriage or domestic partnership, only one of the two employees may remain as an employee of the District. The employees in question will have no more than 30 calendar days to decide which person will remain in the District's employment. If the decision is not made within the specific timeframe, the Chief Executive Officer of the District will make that decision, relying on the business needs of the organization.

Names and Addresses Policy

The District is required by law to keep current all employees' names and addresses. You are responsible for notifying the District in the event of a name or address change.

Open-Door Policy

Suggestions for improving the operations of the District are always welcome. At some time, you may have a complaint, suggestion, or question about your job, your working conditions, or the treatment you are receiving. Your complaints, questions, and suggestions are important to us.

If you have a complaint, suggestion or question, speak with your immediate supervisor as soon as possible. If you are not comfortable speaking to your immediate supervisor, please bring the issue to the Chief Administration Officer or Chief Executive Officer.

Also, if you have raised the issue and if the problem persists, you may present it to the Chief Administration Officer, who will investigate and provide a solution or explanation.

If the problem is not resolved, you may also present the problem to the Chief Executive Officer, who will attempt to reach a resolution.

In the event that the Chief Executive Officer is unable to resolve the issue, you may escalate your concerns to the District General Counsel; the General Counsel will attempt to reach a final resolution.

While a written complaint will assist us in investigating your concerns, it is not required that you put your complaint in writing. If you need assistance with your complaint, or you prefer to make a complaint in person, contact supervisor.

This procedure, which we believe is important for both you and the District, cannot guarantee that every problem will be resolved to your satisfaction. However, please know that the District values your observations and you should feel free to raise issues of concern without the fear of retaliation.

Performance Evaluations

Each employee will receive periodic performance reviews conducted by their supervisor. Your first performance evaluation will take place after the completion of the 180-day introductory period. Subsequent performance evaluations will be conducted per the District's Compensation policy (OP-12). The frequency of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties, or recurring performance problems.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement, and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of the District and depend upon many factors in addition to performance. After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you, that you have discussed it with your supervisor, and that you are aware of its contents.

Personnel Records

You have a right to inspect or receive a copy of the personnel records that the District maintains relating to your performance or to any grievance concerning you. Certain documents may be excluded or redacted from your personnel file by law, and there are legal limitations on the number of requests that can be made.

Any request to inspect or copy personnel records must be made in writing to the Chief Administration Officer. You can obtain a form for making such a written request from the Chief Administration Officer.

You may designate a representative to conduct the inspection of the records or receive a copy of the records. However, any designated representative must be authorized by you in writing to inspect or receive a copy of the records. The District may take reasonable steps to verify the identity of any representative you have designated in writing to inspect or receive a copy of your personnel records.

The personnel records may be made available to you either at the place where you work or at a mutually agreeable location (with no loss of compensation for going to that location to inspect or copy the records). The records will be made available no later than 30 calendar days from the date the District receives your written request to inspect or copy your personnel records (unless you/your representative and Desert Healthcare District mutually agree in writing to a date beyond 30 calendar days but no later than 35 calendar days from receipt of the written request).

If you request a copy of the contents of your file, you will be charged the actual cost of copying.

Disclosure of personnel information to outside sources, other than your designated representative, will be limited. However, the District will cooperate with request from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

Remote Work

Working remotely, also referred to as “telecommuting,” provides employees with an opportunity to work from an alternative work environment instead of in the primary location of the District. Working remotely must be pre-approved by your supervisor and cannot be initiated without a Remote Workers Agreement, unless authorized to do so by the Chief Executive Officer.

The District retains the right in its sole discretion to designate positions that are appropriate for working remote and approve employees for working remotely. Working remotely must be approved by your supervisor. Working remotely does not change the conditions of employment or required compliance with all District policies and procedures.

The District reserves the right to change or terminate the Remote Workers Agreement at any time, without cause or advance notice. Your ability to work under a Remote Workers Agreement rests in the sole discretion of the District.

Working remotely is a privilege and may not be appropriate for all employees. If you wish to request a Remote Workers Agreement, you should contact your supervisor and ask for a Remote Work Request form.

Remote Work Safety

Remote workers are solely responsible for ensuring the safety of their alternative work environment. However, because the District is legally obligated to provide its employees with a workplace that is free from hazards that might cause serious harm or injury, the District reserves the right to periodically inspect a Remote Worker's home workspace. Any such inspection will be preceded by advance notice and an appointment will be scheduled.

Remote Workers are protected by the District's workers' compensation insurance. As such, Remote Workers are required to immediately report any injuries that occur while working. The Remote Worker is liable for any injuries that occur to third parties at or around the Remote Worker's alternative work environment.

Remote Work Plan

All Remote Workers are required to sign a Remote Workers Agreement with their supervisor that outlines the Remote Worker's the days and work hours (as applicable); equipment the Remote Worker will need; how the Remote Worker will communicate with the District; use of support or secretarial staff; and other appropriate information.

The District has authorized all employees to immediately assume remote work in the event of a natural disaster, pandemic, or other emergency recognized by the District.

Hours of Work for Remote Workers

Unless otherwise agreed in the Remote Workers Agreement, hours and days of work will not change. Employees agree to apply themselves during work hours.

Nonexempt employees agree not to work outside of scheduled hours without advance approval; this includes such activities as checking and responding to emails. Any work outside of a scheduled shift must be reported to a supervisor.

Working remotely is not intended as a substitute for child care or care for another adult. If a child or adult needs care during work time, another responsible individual is expected to be present.

Attendance at Meetings

Remote workers are expected to attend all required meetings.

Costs Associated with Remote Work

The District shall not incur additional costs due to a Remote Workers Agreement. The Remote Workers Agreement will specify any costs the District will cover.

Workplace Privacy - Audio/Video Recordings

Due to concerns regarding the potential for invasion of privacy, sexual or other harassment, and protection of proprietary or confidential information, employees may not use any audio or video recording devices while on working time. You also may not use any audio or video recordings in work areas that the District has identified as confidential, secure or private, unless you are engaged in protected activity related to improving the terms and conditions of your employment, such as documenting health and safety issues.

District Property

Employer Property

Furniture, desks, computers, cell phones, data processing equipment/software, and vehicles are District property and must be maintained according to District rules and regulations. They must be kept clean and are to be used only for work-related purposes. The District reserves the right to inspect all District property including computer or phone data or messages to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence. Prior authorization must be obtained before any District property may be removed from the premises.

District voice mail and/or electronic mail (e-mail) including texting, pagers and mobile email are to be used for business purposes. The District reserves the right to monitor voice mail messages, and e-mail messages, and texts to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence.

The District may periodically need to assign and/or change "passwords" and personal codes for

- email
- voice mail
- cell phones
- computers and tablets
- District's social media accounts

These communication technologies and related storage media and databases are to be used only for District business and they remain the property of the District.

The District reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system. Messages on the District voice-mail and email systems are subject to the same District policies against discrimination and harassment as are any workplace communications. Offensive, harassing or discriminatory content in such messages will not be tolerated.

For security reasons, employees should not leave personal belongings of value in the workplace. Terminated employees should remove any personal items at the time they leave Desert Healthcare District. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

Guests and Visitors

Visits from friends and family should be kept to a minimum, in order to preserve an appropriate work environment. It is extremely important that the impression left with District visitors is that of a professional organization with the highest standards of conduct.

Emergencies in which children must be in the office for an extended length of time are to be kept to an absolute minimum. The District may not be used as a substitute for regular child care of employees' children. On those occasions when children are present, they should not be allowed to disrupt others in the office.

Your child is your responsibility and must be under your direct supervision at all times. If a child is ill, you must present a doctor's note to your immediate supervisor indicating the child is not contagious. Under no circumstances may children provide work for the District, unless the child is hired as an employee pursuant to District policies.

Housekeeping

All employees are expected to keep their work areas clean and organized. People using common areas such as lunch rooms, locker rooms, and restrooms are expected to keep them sanitary. Please clean up after meals and dispose of trash properly.

Off-Duty Use of Facilities

Employees are prohibited from remaining on the District premises or making use of District facilities while not on duty. Employees are expressly prohibited from using District facilities, District property, or District equipment for personal use. This policy is not intended to limit the ability of employees to use the District's email systems to communicate with other employees regarding the terms and conditions of their employment during non-working times, including such topics as wages, job performance, workload, supervisors or staffing.

Parking

Employees may park their vehicles in designated areas, if space permits. If space is unavailable, employees must park in the parking garage. Employees will be provided with a parking sticker to be placed in the lower left-hand corner of the vehicle's windshield. Employees are encouraged to only use the north-side patient parking for short term needs. Employees may not use parking areas specifically designated for customers, vendors, District vehicles, or reserved for managers. The District is not responsible for any loss or damage to employee vehicles or contents while parked on District property.

Prohibiting Personal Use of District Cell Phone

Cell phones (including handheld devices and smart phones such as iPhones) may be provided to some employees to assist them in performing their job. Cell phones are District property. Data (including web browsing), messages (including voice mail, mobile email, and text messaging), and other stored electronic information is subject to monitoring and employees do not have an expectation of privacy in the use of this District property.

The District may ask you to assign a password to your District cell phone to prevent unauthorized access. This password does not affect the District's ownership of the cell phone or ability to monitor the information.

District cell phones must not be used in any manner that violates any other District policy, including safety policies, confidentiality policies, electronic and social media policies, and policies against discrimination and harassment.

Employees are prohibited from using District-issued cell phones and any other District property to conduct personal business. Employees who are provided a District cell phone may use the phone for personal reasons only in the case of an emergency. Other personal use is prohibited.

Smoking

Smoking is prohibited at this workplace. The smoking prohibition applies to all smoking devices, including, but not limited to, the use of electronic smoking devices, such as electronic cigarettes, pipes, hookahs, and vaping devices.

Solicitation and Distribution of Literature

In order to ensure efficient operation of the District's business and to prevent disruption to employees, we have established control of solicitations and distribution of literature on District property. The District has enacted rules applicable to all employees governing solicitation, distribution of written material, and entry onto the premises and work areas. All employees are expected to comply strictly with these rules. Any employee who is in doubt concerning the application of these rules should consult with their supervisor.

No employee shall solicit or promote support for any cause or organization during their working time or during the working time of the employee or employees at whom such activity is directed. No employee shall distribute or circulate any written or printed material in work areas at any time, or during their working time or during the working time of the employee or employees at whom such activity is directed.

Under no circumstances will non-employees be permitted to solicit or to distribute written material for any purpose on District property.

Employee Conduct

Business Conduct and Ethics

No employee may accept a gift or gratuity from any customer, vendor, supplier, or other person doing business with the District because doing so may give the appearance of influencing business decisions, transactions or service. Please discuss expenses paid by such persons for business meals or trips with the District in advance.

Conducting Personal Business

Employees are to conduct only District business while at work. Employees may not conduct personal business or business for another employer during their scheduled working hours.

Confidential Information

Each employee is responsible for safeguarding the confidential information obtained during employment.

In the course of your work, you may have access to trade secrets or similarly protected proprietary or confidential information regarding the District business (such as , research and development, business plans or strategies). You have a responsibility to prevent revealing or divulging any such information unless it is necessary for you to do so in the performance of your duties or as required by law.

Access to, or disclosure of, confidential information should be on a "need-to-know" basis and must be authorized by your supervisor. Any breach of this policy will not be tolerated, and legal action may be taken by the District.

This policy does not prohibit employees from confidentially disclosing trade secret, proprietary or confidential information to federal, state and local government officials, or to an attorney, when done to report or investigate a suspected violation of the law. Employees may also disclose the information in certain court proceedings if specific procedures to protect the information are followed. Nothing in this policy is intended to conflict with 18 U.S.C. sec. 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. sec. 1833(b).

Conflicts of Interest

All employees must avoid situations involving actual conflict of interest. Personal or romantic involvement with a competitor, supplier, or subordinate employee of the District, which impairs an employee's ability to exercise good judgment on behalf of the District, can create an actual conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems.

An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to their immediate supervisor, or any other appropriate supervisor, for a determination about whether an actual conflict exists. If an actual conflict is determined, the District may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

Dress Codes and Other Personal Standards

Employees are expected to wear clothing appropriate for the nature of our business and the type of work performed. Avoid clothing that can create a safety hazard.

The District observes a casual dress day on Fridays. Some employees who have customer contact may not be permitted to participate in the casual dress day.

Employees who do participate in a casual dress day still are expected to report to work properly groomed. Acceptable casual dress excludes ripped or torn clothing, T-shirts of any kind (with or without a written message), tennis shoes, tank or halter tops.

This dress code policy will not be enforced in a manner that discriminates against anyone based on a protected class, such as race, sex, gender identity or gender expression, religion, national origin or any other class protected by federal, state or local law. For more information, see the Harassment, Discrimination and Retaliation Prevention policy. Employees who need a reasonable accommodation because of religious beliefs, observances or practices should contact a District representative with day-to-day personnel responsibility and discuss the need for accommodation.

Drug and Alcohol Abuse

The District is concerned about the use of alcohol, marijuana, illegal drugs or controlled substances as it affects the workplace. Use of these substances, whether on or off the job can detract from an employee's work performance, efficiency, safety, and health, and seriously impair District operations. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the District to the risks of property loss or damage, or injury to other persons.

The following rules and standards of conduct apply to all employees while on District property, at work, or working on District business. The following are strictly prohibited by District policy:

- Being under the influence of, or impaired by, an illegal or controlled substance, alcohol or marijuana while on the job.
- Using or possessing illegal or controlled substances, alcohol or marijuana while on the job (including the illegal use of prescription drugs and possessing drug paraphernalia)
- Distributing, selling, or purchasing of an illegal or controlled substance, alcohol or marijuana while on the job.

Violation of these rules and standards of conduct will not be tolerated. The District also may bring the matter to the attention of appropriate law enforcement authorities.

In order to enforce this policy, the District reserves the right to conduct searches of District property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy.

An employee's conviction on a charge of illegal sale or possession of any controlled substance while off District property will not be tolerated because such conduct, even though off duty, reflects adversely on the District. In addition, the District must keep people who sell or possess controlled substances off District premises in order to keep the controlled substances themselves off the premises.

The District will encourage and reasonably accommodate employees with alcohol, marijuana or drug dependencies to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. The District is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug, alcohol or marijuana use. Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem, will not automatically be reemployed or be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect the District's treatment of employees who violate the regulations described previously. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

News Media Contacts

Employees may be approached for interviews or comments by the news media. Only contact people designated by the Chief Executive Officer may comment to news reporters on District policy or events relevant to the District.

This policy does not limit your right to discuss the terms and conditions of his or her employment, or to try and improve these conditions.

Other Employment

While employed by the District, employees are expected to devote their energies to their jobs with the District.

Employment that directly conflicts with the District's essential business interests and disrupts business operations is strictly prohibited.

If you wish to engage in additional employment that may create a real conflict of interest, you must submit a written request to the District explaining the details of the additional employment. If the additional employment is authorized, the District assumes no responsibility for it. Desert Healthcare District shall not provide workers' compensation coverage or any other benefit for

injuries occurring from or arising out of additional employment. Authorization to engage in additional employment can be revoked at any time.

Prohibited Conduct

Employees are expected to conduct themselves in a manner to further the District's objectives. The following conduct is prohibited and will not be tolerated by Desert Healthcare District. This list of prohibited conducts is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and District operations also may be prohibited and will result in disciplinary action up to and including termination.

- Falsifying employment records, employment information, or other District records;
- Inefficient or careless performance of job responsibilities or inability to perform job duties satisfactorily;
- Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;
- Theft and deliberate or careless damage or destruction of any District property, or the property of any employee or customer;
- Removing or borrowing District property without prior authorization;
- Unauthorized use or misuse of District equipment, time, materials, or facilities;
- Provoking a fight or fighting during working hours or on District property;
- Participating in horseplay or practical jokes on District time or on District premises;
- Carrying firearms or any other dangerous weapons on District premises at any time;
- Causing, creating or participating in a disruption of any kind during working hours on District property;
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management;
- Using abusive, threatening or intimidating language at any time on District premises;
- Violation of District punctuality and attendance policies. Absences protected by state or federal law do not count as violations of this policy. Protected paid sick time under California law does not count as a violation of this policy;
- Failing to obtain permission to leave work for any reason during normal working hours, not including meal periods;
- Failing to observe working schedules, including rest and meal periods;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls, including cell phone calls, of more than three minutes in duration during working hours, except in cases of emergency or extreme circumstances;
- Working overtime without authorization or refusing to work assigned overtime;
- Violation of dress standards;
- Violation of any safety, health, security or District policy, rule or procedure;
- Violation of the District's drug and alcohol policy;
- Committing a fraudulent act or a breach of trust under any circumstances;

- Violating the District's anti-harassment or equal employment opportunity policies; and
- Failing to promptly report work-related injury or illness.

This statement of prohibited conduct does not alter the District's policy of at-will employment. Either you or the District remain free to terminate the employment relationship at any time, with or without reason or advance notice.

Prohibited Use of District Cell Phone While Driving

In the interest of the safety of our employees and other drivers and pedestrians on the road, the District employees are prohibited from using cell phones (including all smart phones) or other wireless communication devices (including laptops and tablets) while driving on District business and/or District time. This prohibition includes any use of the cell phone or other wireless communications device, such as answering or placing calls, engaging in conversations, texting, Web browsing or using any smart phone application while driving.

If your job requires that you keep your cell phone or other wireless communication device turned on while you are driving, you must use a hands-free, voice-operated device at all times. Under no circumstances should employees place phone calls while operating a motor vehicle while driving on District business and/or District time. Violating this policy is a violation of law and a violation of District rules.

Punctuality and Attendance

As an employee of the District, you are expected to be punctual and regular in attendance. Tardiness or absences can cause problems for your co-workers and your supervisor. When you are absent, your assigned work must be performed by others.

You are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized District business. Late arrivals, early departures or other unanticipated and unapproved absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must provide reasonable advance notice to your supervisor before the time you are scheduled to begin working for that day. You must inform your supervisor of the expected duration of any absence. If you fail to provide reasonable advance notice before your scheduled time to begin work and do not arrive in time for your assigned shift, you will be considered tardy for that day. If the circumstances for your tardiness or absence were unforeseen, inform your supervisor as soon as practical of the reason for the tardiness or absence.

Excessive absenteeism or tardiness, providing false information or abuse of leave laws will not be tolerated. Generally, if you fail to report for work without any notification to your supervisor and your absence continues for a period of three (3) calendar days, the District will consider that you have voluntarily abandoned or quit your employment.

Absences protected by local, state and federal law do not count as a violation of the punctuality and attendance policy. Paid sick time protected under California law does not count as a violation of this policy.

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Wages

Advances

Desert Healthcare District does not permit advances against paychecks or against unaccrued vacation.

Deductions for Exempt Employees

Employees paid on a "salary basis" regularly receive a predetermined amount of compensation each pay period. Subject to the exceptions listed below, exempt employees will receive full salary for any workweek in which they perform any work, regardless of the number of days or hours worked.

No deductions from salary may be made for time when work is not available, provided the exempt employee is ready, willing, and able to work. Deductions from pay are permissible when an exempt employee:

- Is absent from work for one or more full days for personal reasons other than sickness or disability;
- Is absent for one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy, or practice of providing full compensation for salary lost due to illness and the employee has exhausted their leave under this policy;
- Is absent for jury duty or military duty for a full week and performs no work during the week; or
- Works less than a full week during the initial or final week of employment;

Partial day deductions from available accrued vacation or sick leave balances will also be made by the District when applicable.

It is District policy to comply with these salary basis requirements. Therefore, the District prohibits management from making any improper deductions from the salaries of exempt employees. The District wants employees to be aware of this policy and know that the District does not allow deductions that violate federal or state law.

If you believe that an improper deduction from your salary has been made, you should immediately report this information to your direct supervisor, or to the Chief Administration Officer. Reports of improper deductions will be investigated promptly. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction made.

Expense Accounts

The District reimburses employees for business expenses on the 30th of each month. Employees who have expense accounts or who have incurred business expenses must submit required receipts and the 15th of each month to the Chief Administration Officer no later than the 15th of each month.

If you have any questions about the District's expense reimbursement policy, contact the Chief Administration Officer.

Personal and/or vacation travel may be combined with business travel provided there is no additional cost to the District, and it meets with the approval of the Chief Administration Officer. Desert Healthcare District credit cards are not to be used for personal expenses.

Makeup Time

The District allows the use of makeup time when non-exempt employees need time off to tend to personal obligations. Makeup time worked will not be paid at an overtime rate. Employees may take time off and then make up the time later in the same workweek, or may work extra hours earlier in the workweek to make up for time that will be taken off later in the workweek.

Makeup time requests must be submitted in writing to your supervisor, with your signature, on the District-provided form. Requests will be considered for approval based on the legitimate business needs of the District at the time the request is submitted. A separate written request is required for each occasion the employee requests makeup time.

If you request time off that you will make up later in the week, you must submit your request at least 12 hours before the desired time off in advance of the desired time off. If you request to work makeup time first in order to take time off later in the week, you must submit your request at least 6 hours before working the make-up time. Your makeup time request must be approved in writing before you take the requested time off or work makeup time, whichever is first.

All makeup time must be worked in the same workweek as the time taken off. The District's seven-day workweek is from 11:30 am Friday to Friday. Nonexempt employees may not work more than 11 hours in a day or 40 hours in a workweek as a result of making up time that was or would be lost due to a personal obligation.

If you take time off and are unable to work the scheduled makeup time for any reason, the hours missed will normally be unpaid. However, your supervisor may arrange with you another day to make up the time if possible, based on scheduling needs. If you work makeup time in advance of time you plan to take off, you must take that time off, even if you no longer need the time off for any reason.

An employee's use of makeup time is completely voluntary. The District does not encourage, discourage, or solicit the use of makeup time.

Meal and Rest Periods

Rest Breaks

All nonexempt employees are entitled to uninterrupted rest break periods during their workday. If you are a nonexempt employee, you will be paid for all such break periods, and you will not clock out.

Number of Rest Breaks

You will be authorized and permitted one (1) 10-minute net rest break for every four (4) hours you work (or major fraction thereof, which is defined as any amount of time over two [2] hours). A rest break need not be authorized for employees whose total daily work time is less than three and one half (3.5) hours.

You will be relieved of all duty during your rest break periods. You are free to come and go as you please and are free to leave the premises. You are expected to return to work promptly at the end of any rest break.

If you work a shift from three and one-half (3.5) to six (6) hours in length you will be entitled to one (1) ten-minute rest break. If you work more than six (6) hours and up to 10 hours, you will be entitled to two (2) ten-minute rest breaks. If you work more than 10 hours and up to 14 hours, you will be entitled to three (3) ten-minute rest breaks.

Timing of Rest Breaks

You are authorized and permitted to take a rest break in the middle of each four-hour work period. Your rest break will be scheduled by supervisors.

Meal Periods

All nonexempt employees will be provided an uninterrupted unpaid meal period of at least 30 minutes if you work more than five (5) hours in a workday. You must clock out for your meal period. You will be permitted a reasonable opportunity to take this meal period, and you will be relieved of all duty. During your meal period, you are free to come and go as you please and are free to leave the premises. You are expected to return to work promptly at the end of any meal period.

If your total work period for the day is more than five hours per day but no more than six hours, you may waive the meal period. This cannot be done without the mutual consent of you and your supervisor. You must discuss any such waiver with your supervisor in advance. The waiver must be in writing.

Timing of Meal Period

Your meal period will be provided no later than the end of your fifth hour of work. For example, if you begin work at 8:00 a.m., you must start your meal period by 12:59 p.m. (which is before the end of your fifth hour of work). Your meal period will be scheduled by supervisors

Second Meal Period

If you work more than 10 hours in a day, you will be provided a second, unpaid meal period of at least 30 minutes. Again, you must clock out for your meal period. You will be permitted

a reasonable opportunity to take this meal period, and you will be relieved of all duty. There will be no control over your activities during your meal period. During your meal period, you are free to leave the premises and are free to come and go as you please. You are expected to return to work promptly at the end of any meal period.

Depending on the circumstances, you may be able to waive your second meal period if you took the first meal period and if your total hours worked for the day is no more than twelve hours. This cannot be done without the mutual consent of you and your supervisor and must be in writing. You must discuss any such waiver with your supervisor in advance.

Timing of Second Meal Period

This second meal period will be provided no later than the end of your 10th hour of work. Your second meal period will be scheduled by supervisors.

Recording Meal Periods

You must clock out for any meal period and record the start and end of the meal period. Employees are not allowed to work "off the clock." All work time must be accurately reported on your time record.

If, for any reason you are not provided a meal period in accordance with our policy, or if you are in any way discouraged or impeded from taking your meal period or from taking the full amount of time allotted to you, please immediately notify the Chief Administration Officer.

Anytime you miss a meal period that was provided to you (or you work any portion of a provided meal period), you will be required to report to supervisor and document the reason for the missed meal period, or time worked.

Please also refer to the District's Timekeeping Policy.

Overtime for Nonexempt Employees

Employees may be required to work overtime as necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime. The District will attempt to distribute overtime evenly and accommodate individual schedules. All overtime work must be previously authorized by a supervisor.

The District provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal law as follows:

- All hours worked in excess of 40 hours in one workweek will be treated as overtime. A workday begins at 12:01 a.m. and ends at midnight 24 hours later. Workweeks begin each Friday at 11:30 a.m.;
- Compensation for hours in excess of 40 for the workweek, and for the first eight hours on the seventh consecutive day of work in one workweek, shall be paid at a rate one and one-half times the employee's regular rate of pay;
- Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to exempt employees.

Pay for Mandatory Meetings/Training

The District will pay non-exempt employees for their attendance at meetings, lectures, and training programs under the following conditions:

- Attendance is mandatory;
- The meeting, course, or lecture is directly related to the employee's job;
- The employee who is required to attend such meetings, lectures, or training programs will be notified of the necessity for such attendance by their supervisor;
- The employee will be paid at the then applicable minimum wage for time spent at meetings, lectures, and training programs if the employee does not perform any productive work during such attendance;
- Employees who do perform productive work during attendance at meetings, lectures or training programs will be compensated at their regular rate of pay; and
- Any hours in excess of 40 in a week will be paid at the appropriate overtime rate, at the hourly rate in effect at the time the overtime work is being performed.

Payment of Wages

Paychecks are normally paid through direct deposit. If you observe an error on your check, please report it immediately to your supervisor.

All employees of the District are paid every other Friday for work performed during the previous two-week pay period. If a regular payday falls on a holiday, you will be paid on the workday before the holiday.

The District offers automatic payroll deposit. You may begin and stop automatic payroll deposit at any time. To begin automatic payroll deposit, you must complete a form (available from the payroll department) and return it to payroll at least 10 days before the pay period for which you would like the service to begin. You should carefully monitor your payroll deposit statements for the first two pay periods after the service begins.

To stop automatic payroll deposit, complete the form available from the payroll department and return it to payroll at least 10 days before the pay period for which you would like the service to end. You will receive a regular payroll check on the first pay period after the receipt of the form, provided it is received no later than 10 days before the end of the pay period.

Timekeeping Requirements

All nonexempt employees are required to use a timesheet to record time worked for payroll purposes. All time worked must be accurately reported on your time record. You must record your own time at the start and at the end of each work period. You must record the start and end of the meal period.

You are not allowed to work "off the clock." Working off the clock violates District policy. Any work performed before or after a regularly scheduled shift must be approved in advance by your supervisor. If you perform any off-the-clock work, please report the work to your supervisor.

You also must record your time whenever you leave the building for any reason other than District business.

You will be required to certify that your time record is accurate.

Any handwritten marks or changes on the timesheet must be initialed by a supervisor. Filling in another employee's timesheet, allowing another employee to fill out your timesheet, or altering a timesheet is not permissible and is subject to disciplinary action.

Any errors on your timecard should be reported immediately to your supervisor. Please also refer to the District's Meal and Rest Break Policy.

Reporting-Time Pay

The District will comply with all applicable regulations regarding reporting-time pay for nonexempt employees.

The District will pay a minimum of two hours of pay to employees who are required to report to work on a day other than their normally scheduled workday.

Desert Healthcare District will not pay employees who report to work but are unable to work under the following circumstances:

- Interruption of work because of the failure of any or all public utilities; or
- Interruption of work because of natural causes or other circumstances beyond the District's power to control.

Work Schedule

Desert Healthcare District is normally open for business between the hours of 7:30 am to 5:00 pm, Monday through Friday. All employees are expected to be at their desks or workstations at the start of their scheduled shifts, ready to work.

The workweek begins every Friday at 11:30 am.

The work schedule consists of two-week period with eight non-consecutive 9-hour days and one 8-hour day.

- The 9-hour workday will begin at 7:30 am and end at 5:00 pm; the 8-hour workday will begin at 7:30 am and end at 4:00 pm.
- The 10th day in the work week is the regular day off, or flex day.

Holiday Time

For non-exempt employees, when a District-paid holiday falls on a Monday, the day will be paid at a 9-hour rate; when a District-paid holiday falls on an employee's flex Friday, the holiday will be paid at an 8-hour rate.

Overtime

For non-exempt employees on alternative workweek schedules, overtime worked on any regularly scheduled workday will be paid at the rate of:

- Time-and-one-half for all work performed beyond 40 hours per week.
- Overtime will be paid for hours worked on a day that is not a regularly scheduled workday in any workweek, including any seventh consecutive workday, at the rate of time-and-one-half.

Sick and Vacation Time

For employees working a 9-hour day, when absent for a full day, accrued sick or vacation time will be deducted in 9-hour increments. Otherwise, sick and vacation time may be taken in 1 hour increments.

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Safety and Health

Employees Who Are Required to Drive

Employees whose job duties require them to drive a District vehicle or their own vehicles for District business will be required to show proof of current valid driving licenses and proof of insurability under the District's policy or current effective insurance coverage before the first day of employment.

The District participates in a system that regularly checks state Department of Motor Vehicles (DMV) records of all employees who are required to drive as part of their job.

If an employee is required to drive as part of their job, the District retains the right to transfer to an alternative position, suspend, or terminate an employee whose license is suspended or revoked, or who fails to maintain personal automobile insurance coverage or who is uninsurable under the District's policy.

Employees who drive their own vehicles on District business will be reimbursed at the rate of the IRS standard mileage rate per mile.

Ergonomics

The District is subject to Cal/OSHA ergonomics standards for minimizing workplace repetitive motion injuries. The District will make necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes and employee training. The District encourages safe and proper work procedures and requires all employees to follow safety instructions and guidelines.

The District believes that reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well-being, and is essential to our business. We intend to provide appropriate resources to create a risk-free environment. If you have any questions about ergonomics, please contact the Chief Administration Officer.

Health and Safety

All employees are responsible for their own safety, as well as that of others in the workplace. To help us maintain a safe workplace, everyone must be safety-conscious at all times. Report all work-related injuries or illnesses immediately to your supervisor or to the human resources department. In compliance with California law, and to promote the concept of a safe workplace, Desert Healthcare District maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is available for review by employees and/or employee representatives in the general manager's office.

In compliance with Proposition 65, Desert Healthcare District will inform employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

Medical Testing

The District is committed to providing a safe work environment for all employees. There may be circumstances during a declared health emergency when business necessity requires that the District conduct medical testing or temperature checks of employees. Any such tests will be conducted in conformance with all Federal and State laws and local health department regulations.

Recreational Activities and Programs

The District or its insurer will not be liable for payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity that is not part of the employee's work-related duties.

Security

The District has developed guidelines to help maintain a secure workplace.

- Be aware of persons loitering for no apparent reason in parking areas, walkways, entrances and exits, and service areas.
- Report any suspicious persons or activities to security personnel. Secure your desk or office at the end of the day.
- When called away from your work area for an extended length of time, do not leave valuable and/or personal articles in or around your workstation that may be accessible.

The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks. You should immediately notify your supervisor when unknown persons are acting in a suspicious manner in or around the facilities, or when keys, security passes, or identification badges are missing.

Workplace Violence

The District has adopted the following workplace violence policy to ensure a safe working environment for all employees.

The District has zero tolerance for acts of violence and threats of violence. Without exception, acts and threats of violence are not permitted. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to discipline up to and including termination.

Possession of non-work related weapons on District premises and at District-sponsored events shall constitute a threat of violence.

It is every employee's responsibility to assist in establishing and maintaining a violence-free work environment. Therefore, you are expected and encouraged to report any incident which may be threatening to you or your co-workers or any event which you reasonably believe is threatening or violent.

You may report an incident to any supervisor or the Chief Administration Officer.

A threat includes, but is not limited to, any indication of intent to harm a person or damage to District property. Threats may be direct or indirect, and they may be communicated verbally or nonverbally. The following are examples of threats and acts that shall be considered violent - this list is in no way all-inclusive:

Example	Type of Threat
Saying, "Do you want to see your next birthday?"	Indirect
Writing, "Employees who kill their supervisors have the right idea."	Indirect
Saying, "I'm going to punch your lights out."	Direct
Making a hitting motion or obscene gesture	Nonverbal
Displaying weapons	Extreme
Stalking or otherwise forcing undue attention on someone, whether romantic or hostile	Extreme
Taking actions likely to cause bodily harm or property damage	Acts of violence

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Termination

Employee References

All requests for references must be directed to the Chief Administration Officer. No other manager, supervisor, or employee is authorized to release references for current or former employees.

By policy, the District discloses only the dates of employment and the title of the last position held of former employees.

Progressive Discipline and Involuntary Termination

Violation of District policies and rules may warrant disciplinary action. The District has a system of progressive discipline that may include verbal warnings, written warnings, and suspension. The system is not formal, and the District may, in its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances, up to, and including, immediate termination of employment. The District's policy of progressive discipline in no way limits or alters the at-will employment relationship.

Reductions in Force

Under some circumstances, the District may need to restructure or reduce its workforce. If restructuring our operations or reducing the number of employees becomes necessary, the District will attempt to provide advance notice, if possible, to help prepare affected individuals. If possible, employees subject to layoff will be informed of the nature of the layoff and the foreseeable duration of the layoff, whether short-term or indefinite.

In determining which employees will be subject to layoff, Desert Healthcare District will take into account, among other things, operation and requirements, the skill, productivity, ability, and past performance of those involved, and also, when feasible, the employee's length of service.

Voluntary Resignation

Voluntary resignation results when an employee voluntarily quits their employment at Desert Healthcare District or fails to report to work for three consecutively scheduled workdays without notice to, or approval by, their supervisor (unless the absence is protected by law). All District-owned property, including vehicles, keys, uniforms, identification badges, and credit cards, must be returned immediately upon termination of employment.



Receipt 2020 Employee Handbook

Employee Name	
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My signature indicates that I have received a copy of the Desert Healthcare District Handbook.

I understand that I am to review this handbook that outlines my privileges and benefits, as well as my responsibilities and obligations as an employee of the Desert Healthcare District (the District).

I understand that the information contained in this handbook, dated June 2020, is subject to change, and that the District may modify or supersede the policies and benefits as stated in this handbook, and that any such changes will be reflected in memorandum or notices circulated to District employees.

I understand that nothing in this handbook, or any other policy of the Desert Healthcare District, creates a term and/or contract of employment. I further understand and agree that no contract of employment other than "at will" has been expressed or implied, and that no circumstance arising out of my employment will alter the "at will nature" of the employment relationship.

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Employee Signature

Date

--	--

Desert Healthcare District Representative Signature

Date

June 17, 2020

Dr. Conrado E. Bárzaga, MD.
Desert Healthcare District
1140 N. Indian Canyon Drive
Palm Springs, CA 92262

Dear Dr. Bárzaga,

I am writing to invite you to join the core leadership team of our Connect Capital work with the Lincoln Land Policy Institute's Center for Community Investment. This work is funded by the Robert Wood Johnson Foundation and involves six national pilot sites including our Housing Collaborative Action Network (Housing CAN). We were competitively selected to join this work out of more than 90 national applicants and hold this work in partnership with the Riverside County's Housing Authority. Connect Capital is an initiative that assists these six national teams in attracting and deploying capital at scale to advance community priorities. We hold this work in partnership with Riverside County's Housing Authority but represent a larger network consisting of dozens of local municipalities, community-based organizations, and financial institutions.

Our shared goal is to reduce rent burden by 30% over the next ten years, permanently improving the quality of life for more than 40,000 Coachella Valley households. Our work, and the Connect Capital Initiative, are outlined in more detail in the attached Action Plan and Connect Capital summary document.

We have reached a critical moment of momentum in our collaborative work. At this stage we are boldly advancing a robust community investment agenda that prioritizes the intersection of health, early childhood development, and housing. As we move to integrate a more explicit health filter into our housing pipeline, we believe both your leadership and the formal participation of the Desert Healthcare District in this work will add critical expertise and capacity to our growing collaboration.

Please let us know what further information would be helpful – on behalf of our core leadership group, we hope you'll be able to join us in this important work.

Respectfully,



Heather Vaikona, President + CEO

Community Investment: Focusing on the System

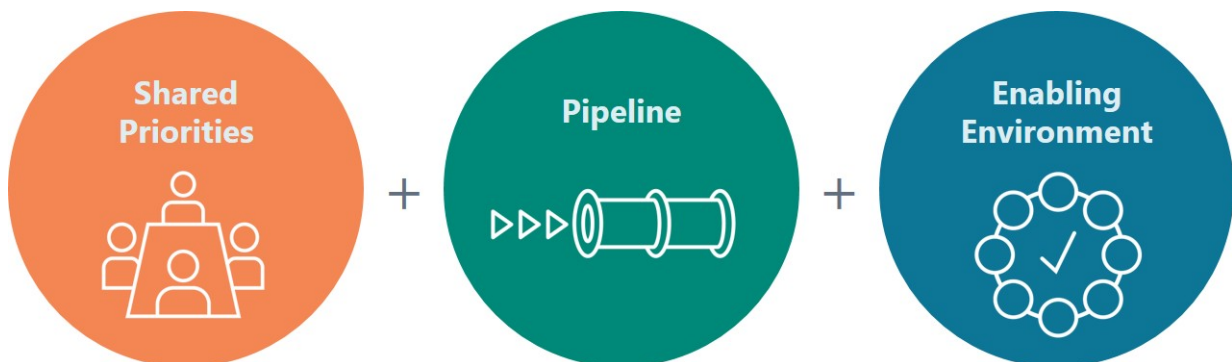
A WORKING PAPER

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revised March 2018



About the Center for Community Investment

The Center for Community Investment at the Lincoln Institute of Land Policy works to overcome disinvestment and improve opportunity so that everyone has a fair chance to lead a healthy and productive life.

About this Paper

An earlier version of this paper was originally published in 2015 by The Kresge Foundation and Initiative for Responsible Investment.

Capital absorption work began in the summer of 2011 in response to difficulties experienced by Living Cities deploying capital in the cities chosen for The Integration Initiative, an \$80 million effort to improve the lives of low-income people. The project began with interviews with community investment experts and practitioners, place-based analysis of practice in Chicago and Atlanta, case studies about an exemplary transaction in Detroit, and the experience of a community development financial institution that expanded into new regions.

The project's conceptual frame can be found in our March 2012 paper, *The Capital Absorption Capacity of Places: A Research Agenda and Framework*. We have since published papers on the roles of philanthropy, local government, and health systems in building capital absorption capacity, conducted workshops with stakeholders in more than a dozen cities, worked in depth with multisector partnerships in San Francisco, Los Angeles, and Denver to strengthen the capacity of community investment systems, and engaged with federal and state agencies, foundations, and trade associations.

This paper has become foundational for our work. It has evolved over time as we have learned more about how capital absorption lands in communities. For more information about our work and to view additional resources, visit our website at centerforcommunityinvestment.org or contact:

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Acknowledgements

The authors are grateful for the cooperation of community investment practitioners who have participated in our research, reviewed drafts of this and previous papers, and generously contributed their expertise to advance our thinking.

Introduction

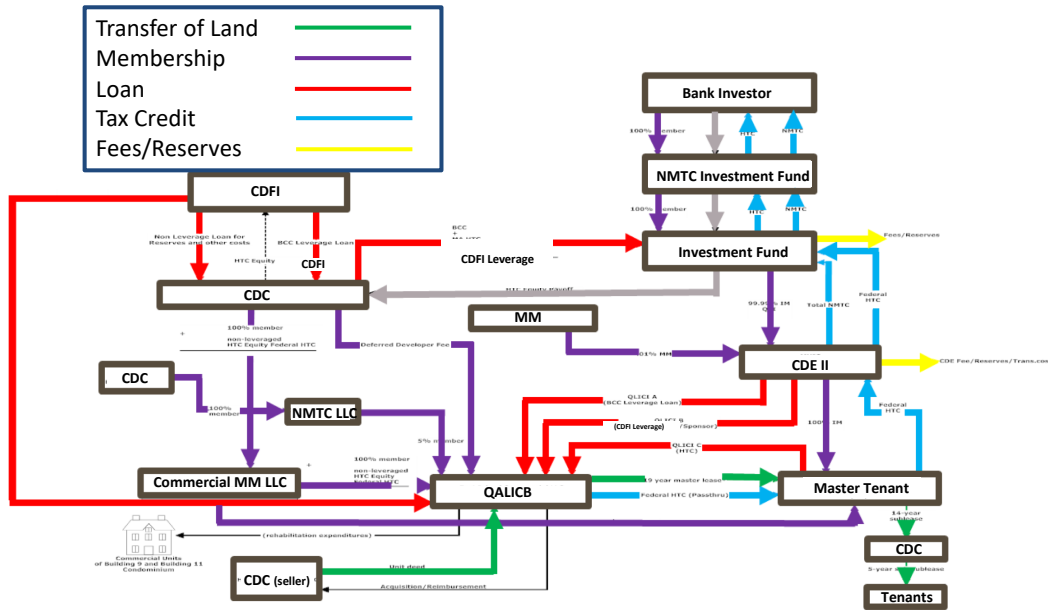
Community investment – defined here as investments intended to achieve social and environmental benefits in disinvested communities – plays a critical role in creating and preserving affordable housing, promoting health and wellness, contributing to small-business and economic vitality and making our cities more equitable and sustainable. It works in places and sectors where conventional market activity does not fully meet community needs.

Community investment (CI) in the U.S. is one of the most robust impact-investing sectors in the world. With support from public policy and subsidies from public and philanthropic sources, private capital flows to community investment from foundations, banks and insurance companies, individuals and others in the form of loans, bonds, tax-credit equity and structured investment vehicles. Often, CI involves specialized intermediaries skilled at working with marginalized communities and blending multiple sources of funding.

But practitioners frequently describe community investment as working against, or around, the conventional finance system. It targets underserved people and places – where conventional markets are seen as absent, misguided or failing. In describing what they do, practitioners use metaphors like filling gaps (where markets aren't working), providing cushions (to absorb risk that others won't bear) and taking haircuts (to adjust prices to “market” rates). In this frame, community investment is viewed as the hard work it takes to do what the conventional finance system itself cannot or will not do.

Exemplary CI deals – the ones that stick out in people's minds as representative of the field – are often complex, time-consuming and politically fraught, balancing the interests of many stakeholders and blending many different sources of capital with varied constraints and requirements. They may require intense collaboration among community, commercial, philanthropic and public-sector stakeholders. They frequently rely on “gap funding” – public-sector subsidies and tax credits, philanthropic grants or program-related investments – to be financially viable. Given the relative scarcity and unpredictability of these funding sources, CI practitioners spend significant energy chasing the funding to make deals happen.

Sample Community Investment Deal



Practitioners evoke the language of heroic quests to describe these deals. They are difficult journeys, with serial obstacles to overcome. Sometimes they are described as “brain damage” deals – requiring extraordinary patience and skill to complete. Although viewing CI as a series of “brain damage” transactions is certainly understandable – many of the deals are indeed difficult, and conventional markets are not (by definition) fully serving marginalized communities – we believe that viewing community investment in this way comes with a cost. The language of the quest sets CI up to be something extraordinary, not part of routine and ongoing practice. And framing the field as a set of difficult transactions, rather than a system for conducting socially valuable activity, may make it difficult to address challenges of coordination and build capacity in the long term.

In our work over the past several years, we’ve looked at these issues through the lens of what we call “the capital absorption capacity of places” – the ability of communities to attract and leverage community investment, bringing private capital to serve public purpose. Given the challenges we had seen over the years with deploying capital from investors seeking both social and financial returns, our research project started with the proposition that increasing the supply of capital is a necessary but insufficient aspect of strengthening community investment. We have focused on examining how communities can develop a

more coordinated, strategic approach to organizing demand for capital and ensuring it is deployed to achieve their social and environmental priorities. We have worked with practitioners from the public, private, philanthropic and civil-society sectors to explore the conditions under which CI occurs, and to search for design principles that make CI easier and more effective.

We believe that focusing on the CI system – its functions, boundaries, practices and culture – can help reduce the transaction costs and increase the scale and impact of CI. This paper reviews some of our initial work on CI as system. Our goal in writing it is threefold:

- To encourage people to think about the system for organizing CI demand,
- To suggest ways to make the system visible and tractable in a given place, and,
- To offer some suggestions based on current and past efforts on how to make the CI system more robust.

Making the Community Investment System Visible

Community investment takes place through a complex network of actors – nonprofit and mission-oriented for-profit developers; providers of support to small businesses, community development corporations and other neighborhood-based organizations; community development financial institutions; foundations; financial institutions and public-sector agencies at the local, state and federal levels. The specific constellation of actors and institutions involved in CI differs from place to place, depending upon the specific issues, priorities, leaders and history that have shaped the local context. One thing that seems to be consistent across geographies, however, is that participants in community investment tend to describe themselves not as actors in a coherent system, but rather as participants in transactions that use community investment tools to do things that will not otherwise get done. The CI system itself remains implicit.

A first step to understanding capital absorption capacity, therefore, is to make the system visible. Making clear the dynamics of CI – its boundaries (who and what is included and excluded), the relationships among participants and their attitudes toward their work, the key policies, practices, resource flows and capacities that enable and circumscribe CI activity – may spark insight into the complex interactions that make it possible to execute CI transactions. A visible system should also be easier to improve, highlighting those areas functioning well and those constraining the scope and effectiveness of practitioners and their institutions.

EXEMPLARY DEALS AS A GUIDE TO THE SYSTEM

Given the strong transactional focus of the community investment sector, we have found it is sometimes helpful to start from an analysis of two or three exemplary deals – transactions that CI practitioners in a particular place believe are either representative or noteworthy examples of what local practice can achieve. Working backward from those deals allows us to identify the features that characterize CI in that place.

Early in our work, we looked at an exemplary deal in Detroit: The Auburn, a multistory, mixed-use, mixed-income redevelopment in Midtown. The deal

helped make concrete the networks that worked on CI as well as the boundaries and constraints in a very difficult market.

In the case of The Auburn, a resolute CI practitioner had her eye on a site in the heart of a district close to three major anchor institutions. Although the anchors were not directly involved in the deal, the project benefited from their presence in the area as well as from a jointly sponsored Live Local program that provided financial incentives for anchor institution employees to rent or buy homes in nearby neighborhoods. The deal suffered from significant financing gaps; more than half a dozen financing sources were tapped to make the deal possible, including philanthropic support as well as brownfield and New Markets Tax Credits. The project, which stalled multiple times, ultimately involved both local stakeholders and a national CDFI that established a Detroit presence.

Over the past few years, we have asked stakeholders in more than a dozen communities to examine exemplary deals, considering both the actors and networks who participated in these deals as well as the range of stakeholders who might have participated but did not, the resources used, milestones achieved and the challenges of the deal.

Among the commonalities we find in this analysis:

- Core participants in community investment deals tend to be relatively stable. In some places there are specific individuals – one way to describe them might be “superconnectors” – who seem to be involved in the majority of deal-making activity.
- Although the default actors vary from region to region, frequent deal participants tend to be institutions like CDFIs¹ and community development corporations (where they exist) and the Community Reinvestment Act functions of banks that have specialized knowledge of community investment; from the public sector, local housing and community development agencies also are frequently mentioned. Participants in deals tend to be local or have a specific interest in the locality.

¹ Community development financial institutions are so closely associated with community investment in some people’s minds that we sometimes find that the answer to improving CI performance in a location is “get a CDFI.”

- The constraints of local ties and resources reduce the amount of activity in a given place. When describing these exemplary deals, practitioners often note their desire to expand horizons and tap more capacity and resources by engaging extra-local stakeholders (developers, investors, federal agencies and foundations) headquartered outside the place as well as actors in the local community who are disengaged, such as employers or anchor institutions.
- The deals are slowed by their reliance on multiple financing sources, each with its own application process, requirements and timetable for decision-making. To be viable financially, deals often require “gap financing” that assumes higher risk or accepts lower returns than most investors would tolerate. Securing the necessary sources of subsidy and credit enhancement introduces significant unpredictability into the timing of transactions and is often described by stakeholders as among the key challenges in the execution of a deal.

Analyzing exemplary deals can help identify the real and ideal boundaries of the system – who is actively engaged versus who should be. It can also help map the resources that are used to make the system work – how the CI system gets built around those tools that fill gaps or mitigate risk in hard-to-work places. Finally, mapping exemplary deals is one way to begin surfacing the relationships among existing actors – how they coordinate on execution, which people and institutions seem to appear everywhere and which enter into CI on a one-off or occasional basis. The exercise is necessarily limited – it can only yield as much information about the system as is embedded in particular deals – but it can be a useful starting point to viewing each deal not as an end point, but as an embodiment of networks and resources that support CI effectively in a place.

UNDERSTANDING THE SYSTEM THROUGH THE CAPITAL ABSORPTION WORKSHOP

Among our original thoughts in tackling the topic of capital absorption, laid out in our paper “The Capital Absorption Capacity of Places: A Research Agenda and Framework,” was that effective CI systems are characterized by the performance of critical functions – activities that can be undertaken by different people or institutions in different places. The paper aimed to move the conversation on CI away from the specific institutions that participated in CI toward a framework that identified what functions needed to happen for CI to work well.

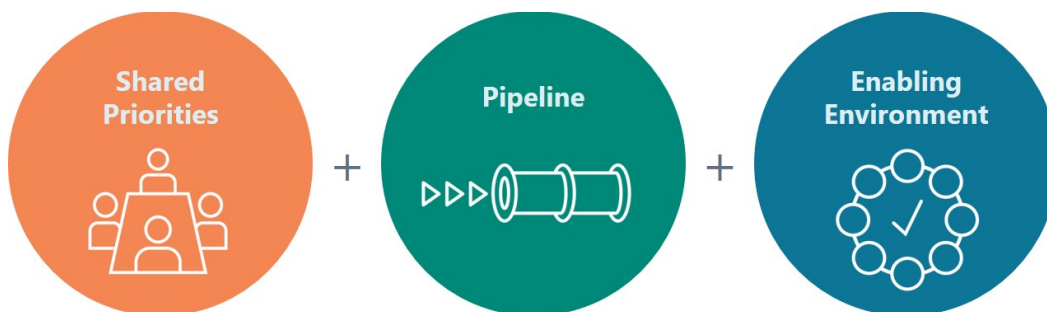
Our research had suggested that concentrating on actions rather than institutions – verbs, not nouns – might open up discussion about the full range of actors – whether they considered themselves CI actors or not and whether they were local, regional or national in scope – who could contribute to the CI process. The hope was that this framework might open the door to engaging a wider array of actors in the process, and offer a better way to distinguish between those activities that had to take place locally versus those that could be performed by organizations headquartered elsewhere.

To build on this intuition, we began engaging with specific places through what we came to call capital absorption workshops – daylong gatherings of 35 to 40 stakeholders from across sectors with an interest in CI. These workshops assemble the system (or at least major segments of it) in a room, making visible some of the system-like nature of community investment and providing a chance for practitioners to step out of their day-to-day roles preparing and executing transactions to talk about the system as a whole. We have conducted more than a dozen formal capital absorption workshops, as well as a series of smaller related meetings, over the past four years.

In the workshops, we ask participants to describe the existing and potential activity related to three key functions:

- Articulation of a clearly defined set of the community’s shared priorities,
- Development and execution of a pipeline of investable deals that together will help to achieve the shared priorities, and
- Creation of an enabling environment of policies, processes, practices and platforms that support the development and consummation of socially useful investments.

Capital Absorption Framework



In exploring these functions, participants at the workshops are in effect

mapping the system that allows CI to work in their communities and, ideally, beginning to identify interventions that will improve the system. The following sections explain in greater detail what it means to think through these functions and how they relate to the system overall.

SHARED PRIORITIES

Understanding the shared priorities a community is trying to advance seems like a trivial first step – too obvious and/or foggy to add much value in discussion. But it's clear from the workshops that there is in fact value in articulating these priorities and specifying the process by which priorities are developed, supported and, especially, established with enough force and specificity to guide CI execution. Even communities that have undergone rigorous, comprehensive and well-regarded planning processes, such as those that resulted in Detroit Future City or Plan Bay Area, find themselves struggling to operationalize the plans, developing the more granular approach required to mobilize resources and target and sequence implementation activities.

To surface the community's priorities, ask:

- What are the priorities that guide investment in our community? How do we know?
- How were the priorities developed? Who was/was not involved?
- How widely are the priorities shared? Are they seen as legitimate?

In order to help communities understand the importance of articulating specific priorities, we have asked them to “take the Martian test.” The test has only one question: “If a Martian landed in our city and watched what we do with our time and money – not what we say are our priorities – what would it conclude about what we care about the most?” This simple test yields some valuable insights. If we are not directing scarce resources to our highest priorities, it may be useful to understand why not. If a city says its priority is equitable, mixed-use, transit-oriented development, but Community Development Block Grant dollars are devoted to multiple priorities across many districts, most deals are in neighborhoods far from transit or no consideration is being given to development other than housing, then there is a disjunction between priorities and realities on the ground. The disjunction between stated priorities and resource allocation opens a window onto how the CI system functions in practice and where system performance might be optimized to achieve stated goals.

We have found that as communities move from planning to implementation,

they encounter a predictable challenge: the many competing needs of communities and political pressures to spread resources across multiple priorities make it hard to concentrate resources, even when such concentration would advance the community's strategic goals. Stakeholders acknowledge there are particular moments in time when directing resources in a concentrated way can make sense. They suggest identifying ways to:

- Take advantage of ripe opportunities – “wet cement moments” that will be lost if not taken, or where timing is especially propitious.
- Stabilize a particular market that is likely to tip in an undesirable direction.
- Attract or align funding or other action by multiple stakeholders.
- Optimize the use of resources so that individual actors maximize their contribution to the system as a whole, rather than simply operating within their own silos.

Identifying a clear, legitimate and advocated set of shared priorities that reflect the needs and involvement of the community can not only help to concentrate scarce resources to reach a critical mass, it can also help smooth the path for transactions that move the priorities to realization.

INVESTABLE PIPELINE

The CI system is embodied in the creation and processing of a pipeline of deals. Although individual transactions may be catalytic, community priorities typically cannot be achieved through a single project or financing opportunity. Looking at an entire pipeline allows a group to think about the collective value of actual and potential deals as well as the resources necessary to complete them. It also helps to identify gaps in the pipeline, those priorities that will not be achieved given the activities currently underway.

We have observed that in practice, community investment pipelines tend to coalesce around affordable housing, the CI sector with long-standing and well-understood sources of funding (such as 9 percent Low Income Housing Tax Credits) that make deals “doable” and a relatively well-developed network of nonprofits and intermediaries experienced in using these funding streams. Developing pipelines to achieve other priorities, such as job creation or preservation of naturally affordable or expiring subsidized housing, requires the CI community to develop new skills, relationships and funding approaches. Ideally, pipelines are visible and their progress is tracked. In practice, however,

our workshops have demonstrated that pipelines, like the system itself, tend not be visible; stakeholders generally see only those deals in which they themselves participate and they lack a clear line of sight to other deals in process. This lack of transparency creates costs to the system. It means potentially lost opportunities to prioritize or integrate multiple deals to achieve community objectives. Potential participants in deals may not know of their existence. Opportunities to build on or leverage activity for multiple benefits may be lost.

Recently, we have begun to ask communities to take a deeper look at their pipelines based on three dimensions: sufficiency, efficiency and impact.

- **Sufficiency** refers to how much of the identified need is being addressed.
- **Efficiency** corresponds to how smoothly deals progress, how long they take and what level of transaction costs they involve.
- **Impact** means the extent to which deals achieve the social and environmental returns they are seeking.

To analyze the community's pipeline(s), ask:

- What are the deals that are currently contemplated or in progress?
- Which of the community's priorities are being addressed and which are absent from the pipeline?
- Which stakeholders are active and what sources of finance are being used?
- How does the pipeline perform on the dimensions of sufficiency, efficiency and impact?

The “denominator exercise” is a useful part of assessing the pipeline. Communities quantify in rough terms the total size of the need they are trying to address (e.g. units of affordable housing to be built or preserved, number of entrepreneurial businesses to be financed, number of children to be served in renovated early education facilities, etc.). This figure is the denominator. The cumulative total of units/people who would be served by projects or deals already in the community's pipeline is the numerator. By evaluating the fraction that results, communities can begin to scope how much progress they are making against their stated goal.

Our worksheet on identifying a pipeline has helped stakeholders consider how well their current community investment pipelines are doing relative to the objectives the community has articulated and how much effort is required in order to build and execute the pipeline. As they go through the exercise, communities tend to express dissatisfaction with the extent to which their

pipelines meet the needs they see. This gap can generate powerful motivation to explore ways to strengthen the CI system.

ENABLING ENVIRONMENT

The way CI pipelines are formed and processed depends on many factors: policies and regulations, resource flows, the presence or absence of needed skills and capacities, political realities, formal and informal relationships among key actors, the cultural norms and behaviors that manifest differently in places. All these factors can promote or impede the translation of a community's shared priorities into completed transactions. We can think of this context for CI as the enabling environment – in a sense, the latent conditions that shape the system's operations.

To assess the enabling environment, ask:

How do we facilitate or inhibit the success of equitable community investment in each of the following areas:

- Policies and regulations
- Subsidy, investment and other resources
- Availability of needed skills and capacities
- Platforms and incentives for collaboration
- Institutional processes and practices
- Data and transparency

In capital absorption workshops, we ask CI stakeholders to identify the aspects of the enabling environment that are working well and where the gaps are. Participants quickly identify policies and regulations like inclusionary zoning, parking requirements and incentives for density that have direct impact on CI. The availability or absence of subsidies, and the burden involved in managing the requirements that come attached to them, also tend to be highlighted as prominent factors that affect the costs and ease of completing transactions.

Some less tangible features, such as access to information about deals or market conditions, or the existence of forums to coordinate among disparate stakeholder interests, may not arise immediately as topics of conversation but do emerge as components of an effective enabling environment. For example, many places lack an inventory of vacant parcels or existing small businesses and readily available data about community purchasing power and other community characteristics relevant to CI. Even generating a baseline understanding of the funding flowing to a particular community can be a daunting task – investment

by CDFIs is not broken down by city or neighborhood, uses of CDBG funds are hard to identify and no one tracks PRIs by geographic area. Good data can strengthen the enabling environment by indicating the scale of the need, supporting sound decision-making about opportunities, making potential investors aware of the full set of potential deals in the CI universe and strengthening accountability.

What stakeholders are involved in CI, how they come together and what governance mechanisms they establish are important questions to consider when examining the enabling environment in a place. One proposition we laid out in our initial work on capital absorption is that “[CI] functions can be performed by a wider variety of local, regional and national actors than are typically considered when analyzing community investment.”² Looking at how local capacity is built and how extra-local actors who can deliver CI effectively are identified and integrated into a community is a major part of understanding how a place-based enabling environment works. Similarly, it is worth examining how actors in the system interact: do they meet bilaterally, has the community created regular stakeholder forums, are there durable mechanisms to enable exchange of ideas and build trust? In many places we have worked, multisector forums, often informal, have opened the way to changes in policies and practices by fostering the trust and relationships that undergird the CI system.

The exemplary deals analysis and the capital absorption workshops help leaders gain a sharper understanding of their CI system and develop a more nuanced understanding of the problems they might try to solve and the results they want to achieve. The process also helps leaders develop the motivation and shared commitment to begin to address the gaps they identify. By wrestling with a systemic view, stakeholders can intervene to address priorities that may not receive as much attention in any particular iteration of CI.

Strengthening the Community Investment System

² “The Capital Absorption Capacity of Places,” p. 3.

Here we offer some thoughts, drawing on our current and previous work, on illustrative system-level activities that might contribute to making community investment more frequent and effective.

Interventions to strengthen the community investment system:

- Form a multisector team and make space to make the system visible and improve it
- Sharpen priorities (what is the most important problem to solve?) and backmap (what would it take to solve the problem?)
- Integrate new stakeholders
- Secure new resources
- Align resources and attention
- Open chokepoints (policies, practices, platforms, data)

Formation of a Multisector Team

The places we have worked with have formed multisector teams whose focus is strengthening the community investment system. Building a small team with members from the public, private, community investment, philanthropic and civic sectors creates an ongoing mechanism for engaging at the system level and thinking beyond given individual and institutional roles. We have seen such teams include representation from the public sector (sometimes the mayor's office and/or relevant city departments), financial institutions and/or other investors, foundations, community leaders, intermediaries and other parties such as regional planning organizations, transit agencies, anchor institutions and employers. The team serves as a platform that can focus on the networks and resources that support transactions, rather than transactions themselves.

In Denver and the San Francisco Bay Area, the teams established to work on community investment were outgrowths of existing multisector bodies. Both groups were instrumental in supporting and managing regional planning processes associated with the Obama administration's Partnership for Sustainable Communities grants. The teams focused on the move from planning to implementation, translating the work they did as grantees under the

*partnership into an actionable plan for public- and private-sector investment in particular deals.*³

The capital absorption team can play a role in developing a pipeline of transactions, organizing resources to meet the community's goals and, as important, promoting the conditions and networks necessary to achieve these goals. Such teams can create opportunities for ongoing reflection and learning, helping practitioners to build on their experience to improve the performance of the CI system. Regularly analyzing progress against goals can help ensure that efforts are staying on track, allow for course corrections and maintain a focus on the relationship between short-term deal and system-development activities and long-term goals.

One of the reasons that forming a cross-sector team is so important in increasing capacity is that it brings together in a sustained way the strands of leadership needed to shift the status quo to a new way of doing business. This kind of fundamental shift requires leaders to develop new, shared capacities to take on the “adaptive challenge” of system change.

In their work on adaptive leadership,⁴ Ronald Heifetz and Martin Linsky define adaptive challenges as problems that do not have ready answers: complex situations whose solutions have to be discovered and built through experimentation. Unlike “technical challenges,” where solutions are more stable and well understood, adaptive challenges require the participants in a system to change their behavior, build new competencies and persuade others to respond in new ways that may take them out of their comfort zone.

More technical solutions – the creation of structured funds, the development of a particular kind of institution or the adoption of a particular, well-tested public policy – can be important interventions, but can be only part of the solution for driving investment toward strategic goals. Deepening the capital absorption capacity of the CI system as a whole requires working across sectors to drive greater alignment, collaboration, transparency and predictability in both

³ To read more about these examples, see Loren Berlin, “Landing Capital: Helping Underinvested Communities to Absorb Resources” in *LandLines*, January 2018. www.lincolnst.edu/publications/articles/landing-capital-0

⁴ For more information, see Ronald Heifetz and Donald Laurie, “The Work of Leadership,” *Harvard Business Review*, OnPoint edition, December 2001, and *The Practice of Adaptive Leadership* by Heifetz and Linsky (2009) which presents a practical approach to implementing adaptive change.

investor intent and resource allocation. It requires doing things differently and a commitment to a likely unfamiliar form of long-term collaboration.

New ways of working may fit uncomfortably, at least initially, within existing CI culture and networks – all of which have developed in the context of how things work at the moment, rather than how they might work in the future. Making this shift will likely require practitioners to build enough trust in each other to address systemic issues that fall beyond the purview of individual actors and institutions.

How might aligned, adaptive multisector leaders work at a system level to help improve the sufficiency, efficiency and impact of community investment? As is typical with adaptive challenges, no single approach will be the best route to change in all places. Interventions must be tailored to the challenges that have been identified. In general, however, interventions may be designed to:

- Refine priorities and the shared understanding of what it would take to achieve them,
- Expand the boundaries of the CI system by integrating new stakeholders and resources,
- Reduce the transaction costs of working in places and on issues marginalized by conventional finance and make CI easier to execute, and
- Increase the impact of CI.

We have seen a range of initial efforts undertaken to support the development and improvement of the CI system:

Sharpen Priorities

In an era of constrained resources and competing interests, communities strive to balance multiple claims on their funds and attention. As noted earlier, many places struggle to avoid the temptation simply to divide discretionary resources evenly (by, say, by the number of city council members), thereby achieving the appearance of fairness. However, it has been our experience that effective community investment requires concentrating and sequencing investments to achieve critical mass. Investments that are spread too thin (“like peanut butter”) risk falling short of their intended effect. Proponents of “targeted universalism” argue that achieving equity requires taking account of the different needs and starting points of diverse neighborhoods and population groups and allocating resources accordingly.

Quantifying what it would take to achieve the community's priorities (e.g. using the denominator exercise mentioned earlier) and then identifying the strategies and approaches that could add up to an effective solution helps ensure that communities understand the magnitude of effort realistically required to address the issue they have prioritized.

Integrate New Stakeholders

Sometimes, reaching the scale required to solve an identified problem means expanding the boundaries of the existing community investment system. As we noted earlier, CI actors tend to be local – and therefore some potential participants in the system, such as place-based investors, anchor institutions, major employers and issue-specific foundations, may be missing or underutilized. System mapping can help identify gaps in local capacity that might be filled by expanding the boundaries of the system to include strong regional or national actors, or local stakeholders new to CI. Identifying and recruiting institutions and individuals who could fill these gaps enriches the local CI ecosystem and can increase the number and scale of deals that get done. Recruitment can be done through outreach and engagement around particular themes, projects or resources.

Integrating new actors into the CI system effectively requires more than a one-time introduction or contract. It is essential to understand the new actors' interests and concerns and what contributions they might make to achieving the community's shared priorities. We have found that it helps to pair these actors with appropriate local partners, invite them to join forums where they will be able to create relationships with other stakeholders and reassure existing players that their role is secure.

In Detroit, a team working on development in the Midtown area invited Capital Impact Partners – a national CDFI – to establish a presence in the city. The careful introduction of a new, high-capacity financial institution resulted in the completion of a series of long-stalled transactions. Strong philanthropic support, a partnership with a local CDC and the willingness of Capital Impact Partners to work in new ways, as required by the local context, were all key to success.

We have studied and written about the varied results of IFF's geographic expansion to the Chicago suburbs and to neighboring Midwestern states.⁵ As this case demonstrates, complementary financial skills become part of a place's capacity through a complicated interweaving of networks of trust – finance is only one piece of the puzzle.

In Denver, the Mile High Connects team has sponsored deal workshops, inviting impact investors – in this case, family offices, place-based foundations and related parties – who are relatively new to community investment to participate. These workshops, and the relationships that arise through them, help a broader array of investors get exposed to deal opportunities, hear feedback from peers, share the work of due diligence and coordinate different types of investment.

Secure New Resources for Community Investment

In addition to expanding the range of players who are active in the community investment system, stakeholders also can expand the boundaries of the CI system by thinking systematically about how better to tap or leverage existing or potential resources and assets. These resources may be previously unidentified financial subsidies from local or national philanthropies, funds from health systems or other aligned institutions, or local, state or federal grants from unfamiliar public sector agencies (such as health, transportation or the environment) that can be combined with existing community investment activity.

In California, CI stakeholders were successful in getting a portion of the state's cap-and-trade funding dedicated to investment in distressed communities. In other regions, stakeholders are exploring how existing funding flows, like Medicaid waivers, not traditionally used for community investment purposes can be directed to financing supportive housing and thereby reduce costs while improving health outcomes.

Some communities have gone even further, identifying nonfinancial assets such as publicly owned land that can be activated to expand the CI pipeline. Other valuable nonfinancial resources include time and expertise.

⁵ “Expanding the Geographic Reach of Community Investment: The IFF Case Study” October 2013 http://iri.hks.harvard.edu/files/iri/files/expanding_the_geographic_reach_of_community_investment_2013.pdf

Stakeholders in the Bay Area realized they could achieve more of their community investment goals by tapping resources beyond public funding. They identified a number of strategic parcels of publicly owned land and are working with transit agencies and cities to unlock those assets through joint development. By accessing land available for development in this way, CI stakeholders may be able to produce a dramatic increase in the potential scale of development and the sufficiency of local CI activity.

In Denver, a subset of the engaged impact investors mentioned previously are forming an “investment committee” to help bring structure to the process of identifying, filtering and evaluating investable transactions that emerge from planned joint pipelining and deal-workshop activities. Elsewhere, anchor institutions have agreed to sign master leases to facilitate development of mixed-use projects.

Align Resources and Attention

Community investment crosses agency boundaries, engages multiple jurisdictions and levels of government and extends across the public, private, nonprofit and philanthropic sectors. In most places, there is no coordinating mechanism or platform to help align resources and attention from multiple silos and sectors to address the opportunities and challenges that have been identified in the CI system. A cross-sector team can foster these exchanges, helping to build relationships and trust. When stakeholders feel “more like partners than targets,” as one agency put it, they are more willing to explore how changes in their behavior might support better CI outcomes. Even without such a team, however, stakeholders can convene regular forums to link local, state and federal support for specific kinds of projects and facilitate the sharing of information about deals, trends and barriers.

In the Twin Cities, CI practitioners have smoothed the progress of deals from predevelopment through permanent financing by sponsoring monthly meetings where developers present their projects to sources of predevelopment and acquisition financing and take-out financing at the same time. This allows investors and funders to identify tweaks that would enable transactions to meet requirements more readily. In another region, stakeholders are considering how to bring investors in residential development together with agencies and funders trying to strengthen small businesses in the same neighborhoods.

Many Sustainable Communities grantees are trying to achieve multiple goals through transit-oriented development, building mixed-income communities that also are green and healthy. Doing this requires braiding together disparate public-sector funding sources as well as private and philanthropic investment.

By aligning brownfield funding from the Environmental Protection Agency; grant support from the Department of Housing and Urban Development, the Partnership for Sustainable Communities and local philanthropy; state and city housing subsidies; and debt and equity from private investors, stakeholders led by the Denver Housing Authority were able to realize a number of resident-informed goals in Denver's award-winning Mariposa district, which redeveloped a public housing project near transit into a vibrant mixed-use and mixed-income community in a way that allowed public housing residents to remain in their neighborhood if they desired.

Open Chokepoints

By assessing the composition and progress of the community's pipeline(s), stakeholders often can identify policies and practices that impede the flow of capital to priorities, and analyze what changes in the enabling environment could contribute to realizing a bigger share of the community's goals.

Aligned coalitions of CI stakeholders can advocate for policies and practices that advance community investment priorities. Land-use policies that integrate affordable housing and access to employment, coordination between funding sources that concentrate resources on shared priorities, stable new funding sources that can fill persistent gaps in important projects, new data platforms that make community investment underwriting easier and more effective – these are all critical elements of the enabling environment with multiplier effects upon which individual actors may find it difficult to focus, but that collaboration across the CI system can support.

In Los Angeles, LA THRIVES, a partnership that includes foundations, nonprofits and CDFIs, is working with the local transit authority on policies that will promote equitable transit-oriented development. At the state level, partners of the Bay Area's Great Communities Collaborative and LA THRIVES contributed to the successful effort to designate a portion of California's new cap-and-trade revenue for development in disinvested communities.

Making data transparent and accessible is another way to spur investment by providing accurate information about opportunities in places that otherwise may

be considered risky or unattractive. For example, supermarket operators may overlook dense, low-income urban neighborhoods because they lack solid data about the purchasing power actually available in those neighborhoods. Market studies can highlight gaps in services and identify where there may be effective demand for investment. Databases with up-to-date information about funding sources and requirements, vacant parcels available for development or small businesses in target sectors or neighborhoods can reduce transaction costs and make it easier for prospective investors and community stakeholders to identify and develop potential deals.

Mile High Connects, a multistakeholder collaborative in Denver, supported the creation of a Denver Regional Equity Atlas to raise awareness of opportunities in communities along the region's newly expanded transit network.⁶

All these interventions must be undertaken with sensitivity to community needs, local goals and power structures and with an eye toward tangible opportunities. Local leaders are the ones who must do the heavy lifting of making sense of the CI system and beginning to take action together. And it's important to do so in a way that impels them to collaborate, develop a shared focus and build trust. That kind of shared effort is what is likely to make targeted interventions effective and durable.

⁶ See <http://www.denverregionalequityatlas.org>

Conclusion

Community investment has the difficult job of financing real estate, small-business development and essential goods and services in places where conventional market activity does not fully meet community needs. While there are costs to thinking about CI simply as a series of heroic quests, the hard work of delivering financial services that help realize community priorities is indeed heroic work worthy of attention and support.

Our engagement with communities over the past several years on the topic of organizing demand for CI has convinced us that there is value in conscious efforts to make the CI system visible and to improve that system to support CI that is more frequent and effective. We are grateful for the willingness of busy, conscientious practitioners to take the time to reflect and share their experience with us. We recognize that this work is complex, highly emergent and experimental. We are eager to continue this dialogue as the project evolves. In that spirit, this paper is meant to open up discussion around this topic, offering a report from the field about how practitioners have engaged with us and with one another.

We hope an enhanced focus on CI as a system helps make the existing system easier to access and more effective at delivering social benefits, with ways to concentrate and coordinate action in support of a community's shared priorities, reduced transaction costs and greater scale. Over time, this work on the CI system may take on the broader challenges of how finance serves society, finding ways in which CI can answer the challenges of sufficiency, efficiency and impact in the face of significant community needs.



Center for
Community
Investment



LINCOLN INSTITUTE
OF LAND POLICY

A sunset over a mountain range. The sky transitions from a bright orange near the horizon to a deep purple at the top. The mountains are silhouetted against the bright light of the setting sun.

LIFT TO RISE

**2020 – 2022
ACTION PLAN**

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I. CALL TO ACTION

FORGING A PATH FORWARD

The issues that we face are so complex, and at times polarizing, that it's easy as organizations and individuals to feel as though nothing can be done. Our existence as an organization is in itself a commitment to move forward together. By continuing to recommit to one another and to our shared goals, we can forge a path forward with resolve and even optimism. We can choose to radically accept where we are—without weaponizing our identities or drawing lines—while acknowledging our failings and our successes. We can strengthen our ability to work together toward a shared destination of prosperity for every resident who calls the Coachella Valley home. We can be the best of who we are, while on our way to the best of who we can become. **This action plan is our shared commitment to forging that future together.**



II. HISTORY & OVERVIEW

HISTORY

In the fall of 2014, we came together as a small group of community-based partners—including FIND Food Bank, United Way of the Desert, the Regional Access Project Foundation, the Desert Healthcare District, and the Riverside County Economic Development Agency—to pursue a “Collective Impact” approach. We sought to address the underlying causes driving our common challenge: resident need was only growing, and we had to move beyond stop-gap approaches to increasingly growing disparities. We recognized that the problems residents face—low incomes, food insecurity, poor health outcomes, and insufficient transportation, health, and housing infrastructure—are inherently interconnected, mutually reinforcing, and can neither be understood nor addressed in isolation. We aimed to address the multiple forces of instability across the Valley, and to overcome long-standing silos that prevent collective engagement. In 2015, we forged an academic partnership with the USC Sol Price Center for Social Innovation. The Price Center continues to support our data and research capacity to this day.

In July 2018, Lift to Rise launched as an independent nonprofit organization to mobilize and advance the collective efforts of our partners. Today, Lift to Rise convenes more than 50 private, public and nonprofit partners in collaborative action networks (CANs). Over the past four years, the work of Lift to Rise has grown from a philosophical commitment of a handful of local leaders to a dynamic, results-driven, cross-sector collaboration.

Lift to Rise’s mission, priorities, and target organizing areas were identified through a process of deep community learning. The decision to launch each CAN emerged through community driven processes where residents cited housing affordability and continued economic constriction as central concerns and sources of instability in their lives. In response, Lift to Rise organizes in two areas of work: **Housing Stability** and **Economic Opportunity**.

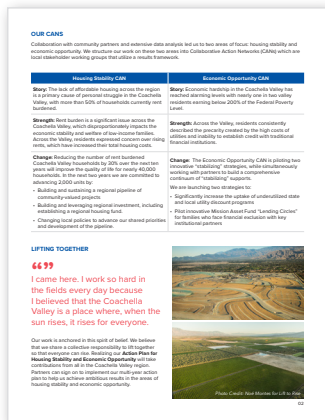


ACTION PLAN OVERVIEW

The Lift to Rise 2020-2022 Action Plan is a two-year roadmap to radically increase housing stability and advance economic opportunity for all Coachella Valley residents.

This Action Plan describes:

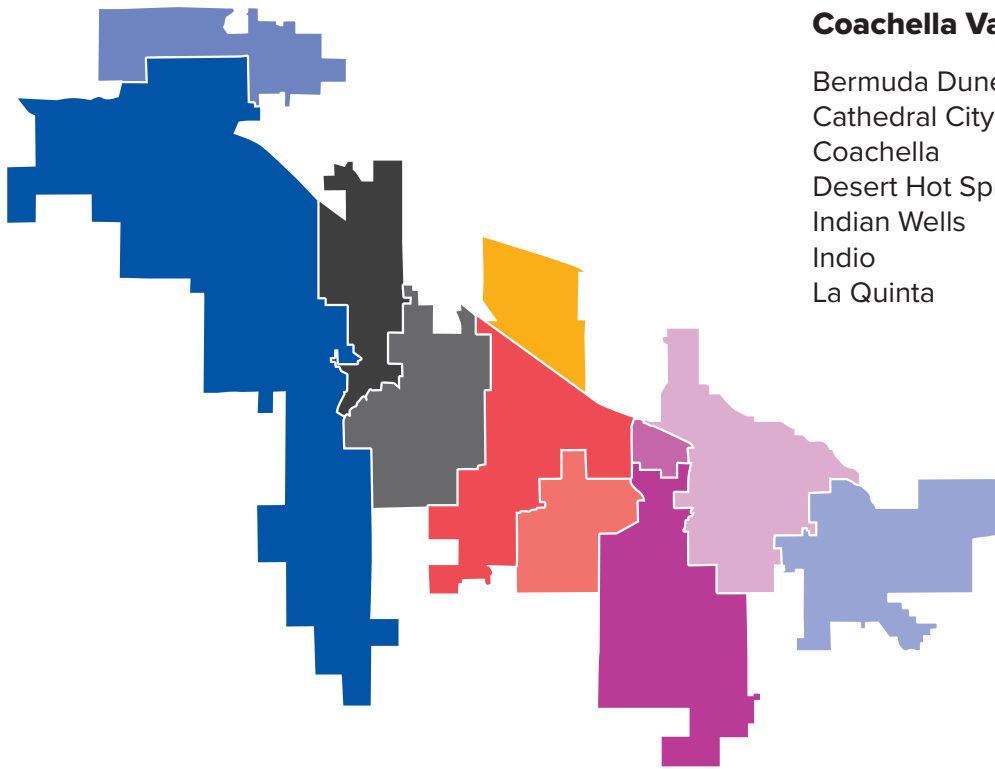
- Key strategies for each area of work: Housing Stability and Economic Opportunity
- Action steps and benchmarks for each strategy
- Evaluation and performance measures
- Defined roles and contributions from stakeholders and partners



Lift to Rise and more than 50 collaborative partners (organizations) developed this action plan over a six-month period, holding co-design meetings, monthly collaborative action network meetings, and full-day and half-day action planning with residents, community-based organizations, city and county staff from multiple departments, affordable housing developers, elected officials, and non-profit organizations.

The Action Plan is a living, iterative document that will be updated as the work develops.

OUR TARGET GEOGRAPHY



Coachella Valley:

Bermuda Dunes
Cathedral City
Coachella
Desert Hot Springs
Indian Wells
Indio
La Quinta

Mecca
North Shore
Oasis
Palm Desert
Palm Springs
Rancho Mirage
Thermal
Thousand Palms



OBJECTIVE

A two-year action plan that defines the scope and scale of strategies that work to increase housing stability and economic opportunity for all Coachella Valley families.

III. WHY WE LIFT: MISSION, VALUES, & VISION

OUR MISSION

We bring together community and institutional leaders to collaboratively solve the underlying causes of poverty and inequality.

OUR VALUES

- **Belief:** We believe change is possible in people and organizations.
- **Community:** We focus on what connects us rather than what separates us and communicate to each other with transparency and integrity.
- **Equity:** We seek and value all types of diversity, put equity into action daily and strive to dismantle inequities, including those present in ourselves, our organizations, and our communities.
- **Innovation:** We pursue new strategies to foster social change and overcome the silos that have historically limited collective engagement.
- **Results:** We use data and evidence to make decision and hold each other accountable to getting results.



OUR NORTH STAR (OUR VISION)

A future where all Coachella Valley families are healthy, stable, and thriving.

IV. HOW WE GET THERE: STORY, STRENGTH, & CHANGE

OUR APPROACH

Our work explicitly focuses on building and sustaining bridges across all dimensions of engagement: from grassroots resident learning, to partnerships with community organizations, to systems-level institutions, leaders and policymakers, to the philanthropic foundations that make this collaborative work possible. In so doing, Lift to Rise seeks to expand vision and possibility, by building out an agenda to catalyze social progress across three critical dimensions that shape local opportunity.



Establishing a common understanding from which to work.

We seek to recognize our region's **story**: story gives dimension to data in a way that helps us establish a common foundation from which to build to greater equity. Storytelling is a powerful way to render visible the nature of need and opportunity, and to create a common vision of a brighter future for all residents. To effectively alter systems, shape policymaking, and shift practices across the Coachella Valley, we must continue to forge inclusive conversation. Data and research are central mechanism to generate a deeper understanding of community conditions and to enable effective responses, but data alone is not enough.

Story focuses on two dimensions: narrative creation, which involves producing research and art that builds, in different forms, a grounded and rich account of Coachella Valley life; and narrative dissemination, including installations and public events intended to share and sustain a wide array of narratives from different Coachella Valley populations. Our storytelling agenda recognizes that research and evidence constitute an intervention itself in our vast rural, suburban-exurban geography. See *Appendix C for story agenda*.





Building local strength to sustain social change over time.

We build collective, local strength to enact and sustain social change over time. We do this through strengthening our collective capacity to work together: prioritizing resident voice and leveraging local, regional, and national resources to effect change. The Coachella Valley suffers from a critical resource gap, which parallels the challenges faced by similar regions across the country. Systems work is inherently complex, as it requires re-envisioning the institutions and systems that drive our current landscape of opportunity. We have set forth a bold vision of our collective future that requires significant resources and capacity to effectively enact community priorities. *See Appendix D for our strength agenda on building resident leadership in our work.*

Resident Leadership

Lift to Rise activates a community-driven frame, informed by experiences, perspectives, and priorities of residents from all walks of life. From our inception, we have advanced community priorities in order to shift systems towards more transparent, democratic processes and better outcomes for Coachella Valley residents. We continuously work to authentically engage and integrate residents from across the Valley into our collective work. *See Appendix D for our strength agenda on building resident leadership in our work.*

Regional Equity

In order to tackle the underlying forces that drive residents' instability, we must approach the challenges we face at the scale at which we face them. Regionalism is important for two reasons. First, we must explicitly address the uneven distribution and concentration of power, resources, and opportunity across the Valley. Second, given the interdependency and relatively small size of our cities, we must coordinate and align priorities as a region to effect population-level change and maximize investment for our region.

Partnership & Collaboration

As an organization, we are committed to building and sustaining internal capacity. We continually seek to improve our operational effectiveness by strengthening our ability to hold, facilitate, and mobilize our shared vision. Lift to Rise is comprised of several working groups, each with a specific role and focus. These groups communicate and collaborate with one another.



Achieving population-level results at scale.

Finally, the core aim of our work is to achieve population-level results at scale. Thus, we work to achieve regional change along two dimensions. First, we seek to immediately stabilize conditions for low-income residents. Second, we work to activate leverage points to change systems and alter the entrenched structures that exacerbate and perpetuate regional inequality.

“Not everything that is faced can be changed, but nothing can be changed until it is faced.”

–James Baldwin

V. COLLABORATIVE ACTION NETWORKS

We operate in two different areas—housing stability and economic opportunity—each identified through extensive data analysis and collaboration. We structure our activities into Collaborative Action Networks (CANs), which are working groups comprised of stakeholder organizations and agency representatives. Our CANs use a “results” framework of rapid improvement cycles that identifies key performance measures and outcomes for each stage of strategy implementation, with periodic evaluation to promote continual learning and strategy refinement. Within each CAN we deploy the “Story, Strength, and Change” framework and define a north star to guide our work. Our north stars were defined together with partners and stakeholders across our communities.

Housing Stability CAN



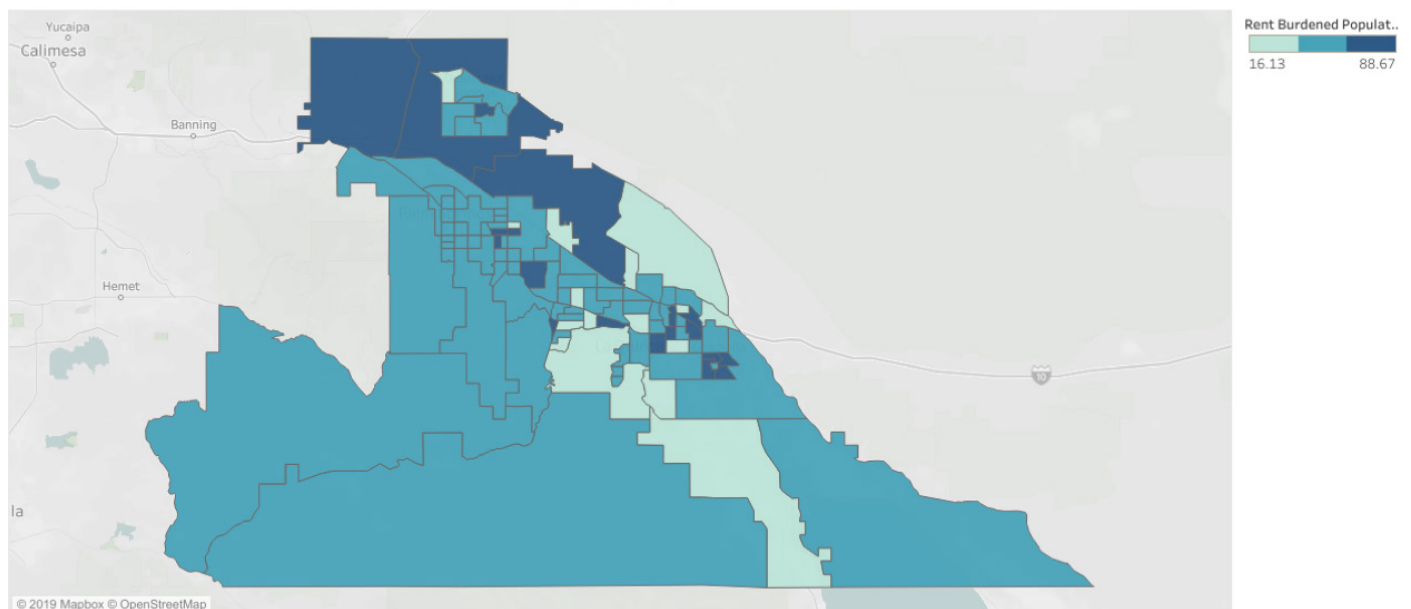
All Coachella Valley families have safe, stable, and affordable housing with more money left over to spend on things other than rent.



Currently, over 50% of households in the Coachella Valley are rent burdened. “Rent burden” implies that households are forced to forgo healthy food, childcare, utilities or other essentials in order to pay rent. **Low-income residents face even more disproportionate impacts: 79% of households that earn less than \$50,000 per year are rent burdened.**

Our Housing Stability CAN is dedicated to addressing this important issue as residents consistently identify the lack of affordable regional housing as their primary personal struggle.

Percent of the Population that is Rent Burdened
American Community Survey, 5-year Estimates 2017



The darker shades of blue indicate a higher percentage.

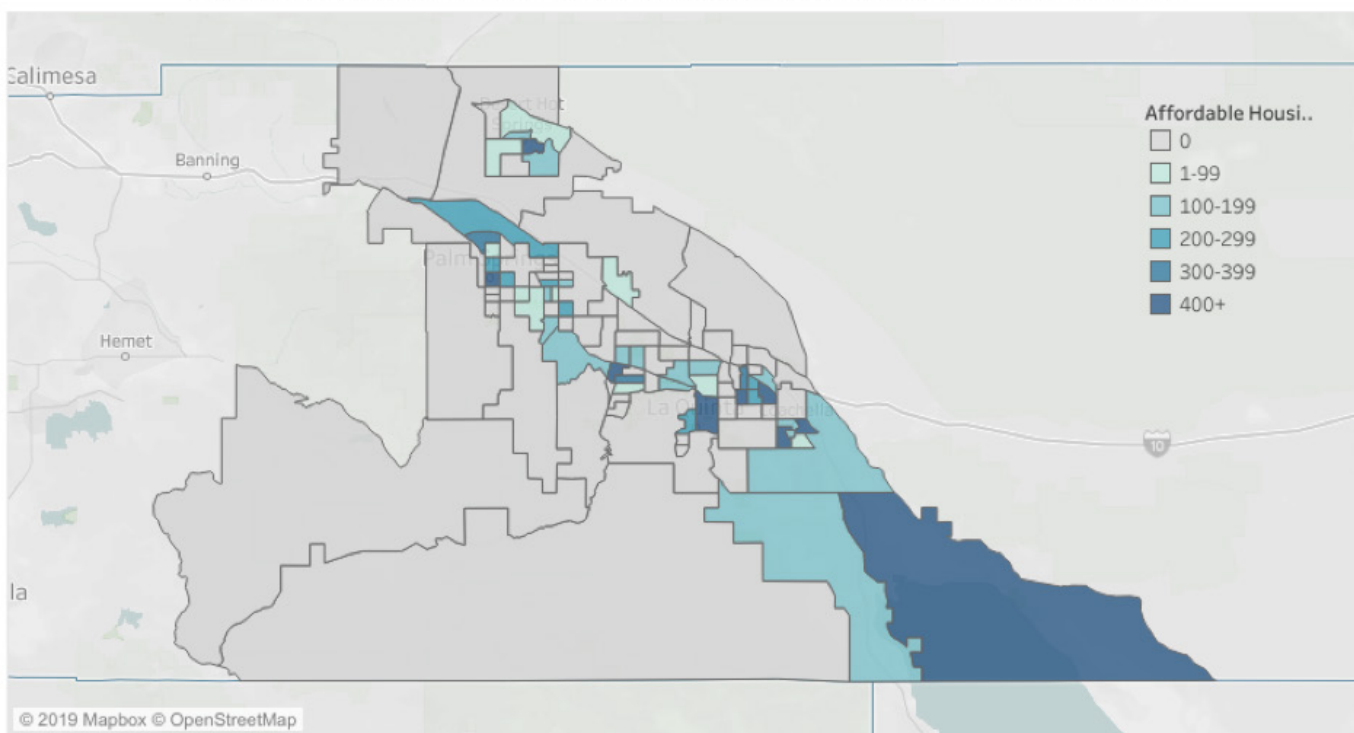
“One has to go adjusting on one side to adjust the other, because the most important thing is having a roof over your head. Although we eat badly or dress badly, the essential thing is the roof for children because they do not know anything yet.”

— Resident of the Eastern Coachella Valley

The deep and pervasive impacts of rent burden on residents drives our CAN to address this issue through **long-term housing opportunity**, achieved through the construction of new housing across our region. We recognize that improving housing supply is a crucial end goal to create population-level housing stability.

Affordable Housing Units Across the Coachella Valley

Sources: California Tax Credit Association Properties, Coachella Valley Association of Governments, Riverside County



Notes:

- Single-family developments are not included.
- Properties were compiled from several sources including California Tax Credit Association, Coachella Valley Association of Governments, and Riverside County. Properties that changed names or addresses recently may be duplicated.

WHAT WE KNOW

We are not building enough affordable housing.

Approximately 11,000 units in the Coachella Valley are designated as affordable units, which are reserved for households below a certain income threshold who live in the units and pay no more than 30% of their incomes on mortgage or rent. Given the number of rent-burdened households in the area, **more than 10,000 additional affordable housing units are needed to meet current demand**. After redevelopment agencies closed, the Coachella Valley has averaged **only 38 new affordable units per year** between 2010 and 2018.

Demand for subsidized housing exceeds supply.

Beyond insufficient levels of rental housing that is affordable for low-income renters, rent costs in the Coachella Valley are exacerbated by the relatively low rates of subsidized housing. Approximately one percent of Coachella Valley households receive a housing choice voucher (1,852 of 168,971 households) as compared to nearly three percent of households in Los Angeles County (93,842 of 3,295,198 households). A further 1,565 households are subsidized through place-based programs.

At these rates, demand for subsidizing housing far exceeds supply, which contributes to the significant levels of rent burden, and the need for additional housing support through both supply-side (new housing construction) and demand-side (subsidies) interventions. Given the disproportionate need experienced by the Latinx community, many of whom are undocumented, our work advances demand and supply-side strategies targeted directly to extremely low-income families, without creating barriers that exclude undocumented or at-risk immigrant families.

Increasing housing vulnerability for Coachella Valley families.

Quantitative data shows how rent burden is a deeply impactful issue in the Coachella Valley, and appears to be becoming more concentrated among already low-income households. Particularly in the Eastern Coachella Valley, with high rates of overcrowding, rent burden levels suggest that families face increasing housing vulnerability. Moreover, the trend lines indicate ever greater socioeconomic and geographic polarization across the Coachella Valley.

Why does this matter?

As we measure impact, it is important to remember baseline conditions in the Coachella Valley—similar to across the region and the state—are worsening, rather than remaining constant. It is also important to view Coachella Valley outcomes in comparison to other regions to understand relative change. Evaluation strategies must take into account both the complexity of housing systems and regional dynamics.



STRENGTH

Resident Experience

Rent burden is a significant issue across the Coachella Valley, which disproportionately impacts the economic stability and welfare of low-income families. To understand the impacts of rent burden within the unique Coachella Valley context, the Price Center for Social Innovation partnered with Lift to Rise to conduct focus groups with rent burdened residents.

Factors Driving Housing Instability

Across all focus groups, residents expressed:

- Concern over rising rents, which have increased their total housing costs.
- Health issues and health-related costs which undermined their economic stability and contributed to their housing precarity.
- East Coachella Valley residents cited the Salton Sea as a source of health problems: new and worsening respiratory problems
- Issues related to transportation availability, access, and costs
- Geographic isolation from needed resources and services

CAN partners are committed to targeted results:

We seek to **reduce the percentage of Coachella Valley households who are rent burdened by 30%** over the next 10 years—improving the quality of life of nearly **40,000 households**. To do this, we need to **radically increase the supply of affordable housing by 9,881 units**.

In the next two years, we’re committed **to advancing 2,000 units** by:

Building and sustaining a regional pipeline of community-valued projects
Building and leveraging regional investment, including a regional housing fund
Changing local policies to advance our shared priorities and the development of the pipeline

Increasing Housing Opportunity Over Two Years

Over the next two years, we are focused on solving our housing market failures. Through the combination of policy changes, cross-sector collaboration, and resource attraction to catalyze projects that are valued but which otherwise would face financial barriers to project completion, we can create a new paradigm for housing development to improve the lives of low-income families, and to generate important lessons for housing development across the state.

PARTNER & STAKEHOLDER CONTRIBUTIONS BY STRATEGY			
Result: POLICY Change local policies to advance our shared priorities and the development of the pipeline			
Public Sector	Non-Profit Sector	Private Sector	Outcomes
<ul style="list-style-type: none"> • Contribute staff time to work across jurisdictions to align housing policy • Identify opportunities to accelerate production within their cities (and county) departments • Adopt and implement pro-housing and affordable housing friendly policies: policies that promote affordability and reduce barriers to new production • Local implementation of statewide legislation designed to accelerate affordable housing production • Streamline housing processes through procedure/process changes and/or policy changes • Share local best practices • Elected officials and representatives: support the implementation of policies through advocacy and legislative action 	<ul style="list-style-type: none"> • Participate in identifying barriers in the regulatory environment • Facilitate resident participation in defining policy priorities • Bridge resident and community relationships • Work across partners to determine opportunities for advocacy and advocate pro-housing policies 	<ul style="list-style-type: none"> • Participate in identifying barriers in the regulatory environment • Apply technical expertise and provide technical assistance to support the implementation of the CAN’s policy priorities • Support resident priorities and engagement in the formulation and implementation of policies • Incentivize action from internal and external partners 	<ul style="list-style-type: none"> • Updated development standards and design guidelines to increase allowable density, reduce other barriers to development • Added incentives to produce affordable housing • Increased transparency and predictability in policies and procedures • Reduced costs associated with the length of the entitlement process • Streamlined or expedited processing through practice or policy change • Reduced development costs through reduced fees and improved design standards

PARTNER & STAKEHOLDER CONTRIBUTIONS BY STRATEGY

Result: PIPELINE | Build and sustain a regional pipeline of community-valued projects

Public Sector	Non-Profit Sector	Private Sector	Outcomes
<ul style="list-style-type: none"> • Cities & County: Contribute most detailed and up-to-date information possible on current inventories of projects, available land for housing development, and at-risk units • Scan infrastructure availability as it pertains to housing development • Elected officials and representatives: support the concept of a regional pipeline through advocacy and legislative action 	<ul style="list-style-type: none"> • Participate in batching processes (along shared priorities) • Non-profit developers: develop units, contribute projects, and/or align projects with regional pipeline • Non-profit developers: increase transparency in information sharing regarding the status of projects, development opportunities, and ongoing development • USC Price Center for Social Innovation: provide data analysis to support CAN efforts 	<ul style="list-style-type: none"> • Align business support with the regional pipeline • Planning consultants: provide technical assistance and leverage expertise to track, scan, and inventory projects and potential sites • Leverage regional investments to support the pipeline: groceries, childcare centers, etc. • Identify opportunities for development that are not currently in the pipeline 	<ul style="list-style-type: none"> • Increased supply of affordable housing units by 2,000 units in two years (with the capacity to produce 1,000 a year) • Added incentives to the production of affordable housing • Created an online portal of current projects and investment opportunities • Increased transparency and accountability in the development process • Increased efficiency through a regional pipeline approach • Improved regional coordination • Maximized capacity to draw down investment at scale • Targeted community and economic development

Result: INVESTMENT | Build regional investment; including a regional housing fund that will support community-valued projects

Public Sector	Non-Profit Sector	Private Sector	Outcomes
<ul style="list-style-type: none"> • Leverage housing choice vouchers to produce more units • Contribute and leverage resources such as land and housing resources (HOME, SB 2, etc.) • Pool/contribute housing and remaining RDA funds • Commit to credit enhancement investments to induce other funding 	<ul style="list-style-type: none"> • CDFI: manage the regional fund • Local and regional funders: invest partners to anchor participatory process • Coordinate and align resources to amplify unit production • Foundation Investments: grants and PRI 	<ul style="list-style-type: none"> • Lend • Invest in credit enhancement • Incentivize development 	<ul style="list-style-type: none"> • Increase in housing production e.g. units • Financial incentives to the production of housing • Greater investment at scale • Investment in community amenities and assets: early learning and child development, good schools, health services, transportation, recreation and green spaces • Maximized regional coordination of local resources • Customized fund products for the region

Result: RESIDENT ENGAGEMENT | Engage residents to drive our collaborative work by setting the pipeline, policy, and investment agenda

- Facilitate the engagement and integration of residents into the work of each strategy area
- Prioritize and advance resident and community priorities

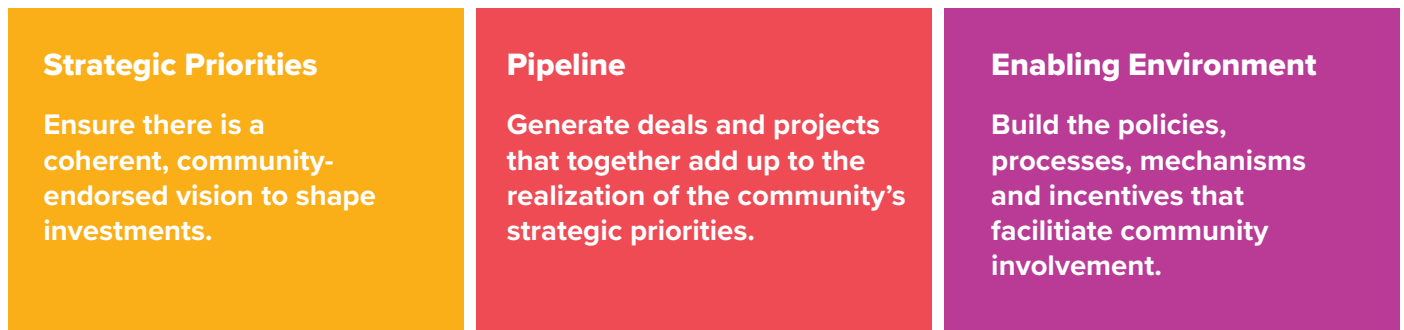
PIPELINE

Result: Build and sustain a regional pipeline of community-valued projects.

The Capital Absorption Framework: What is a pipeline?

Community investment deals tend to be complicated and time consuming, so community investment practitioners often focus on only one project at a time. Yet successfully addressing pervasive problems like affordable housing shortages, lack of access to economic opportunity, and health inequities requires investment at larger scale. We refer to a pipeline as a set of deals and projects that can synergistically advance a community towards achieving its shared priorities. A pipeline is critically important to unlock opportunity at scale and mobilize for efficient achievement of its shared priorities.

COMMUNITY INVESTMENT AS A SET OF FUNCTIONS



Source: *Community Investment: Focusing on the System*, Center for Community Investment (2018)

Housing CAN Shared Priorities

- Regional equity
- Impact on rent burden
- Proximity to employment and jobs
- Access to transportation
- Educational infrastructure and opportunity
- Amenities e.g. grocery stores
- Safe and affordable places to play and be active
- Environmental justice and sustainability
- Access to infrastructure or investment in needed infrastructure

Managed Regional Pipeline

Lift to Rise and the Riverside County Housing Authority worked with CAN partners to assemble a regional pipeline of projects that met our shared priorities. Shared priorities were determined by the CAN based on regional needs. Using our shared priorities, the CAN designed short-term criteria to sort and assess projects in the region. The pipeline was assessed along the following short-term criteria: readiness (shovel ready), rent burden (impact on goal to reduce rent burden), and regional equity (targeted to underserved areas). Projects that did not meet or advance our shared priorities were not included in the pipeline. The pipeline was “batched” (organized) by financing/investment need. See table below.

Table: Managed Pipeline Batches

Batch	Targeted Interventions	Policy Levers	Total Number of Units Projected
Mobile Home Parks “Polanco Parks”	Financial assistance, technical assistance	Expedited permitting, increased infrastructure, by-right development	456
Multi-Family **	Gap financing, technical assistance, resident advocacy for projects, financial assistance	Fee waivers, density bonuses, by-right/ expedited processing	844
Developer owned or Publicly owned Sites (for affordable housing)	Technical assistance, framing project/deal, crafting request for proposals (RFPs)	Fee waivers, density bonuses, by-right/ expedited processing	911*

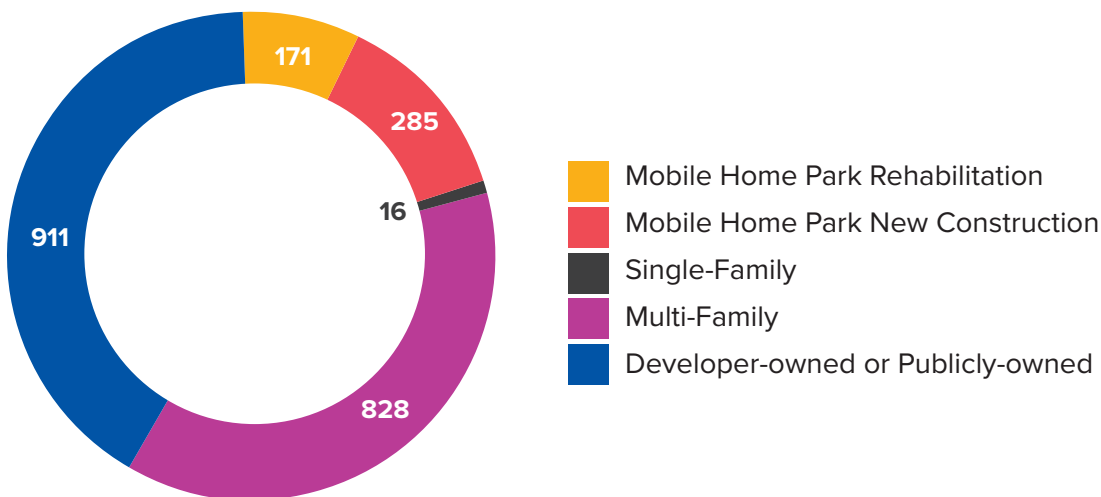
Total Impact in Unit Numbers: 2,211 units

**Multi-family batch includes 16 single family units

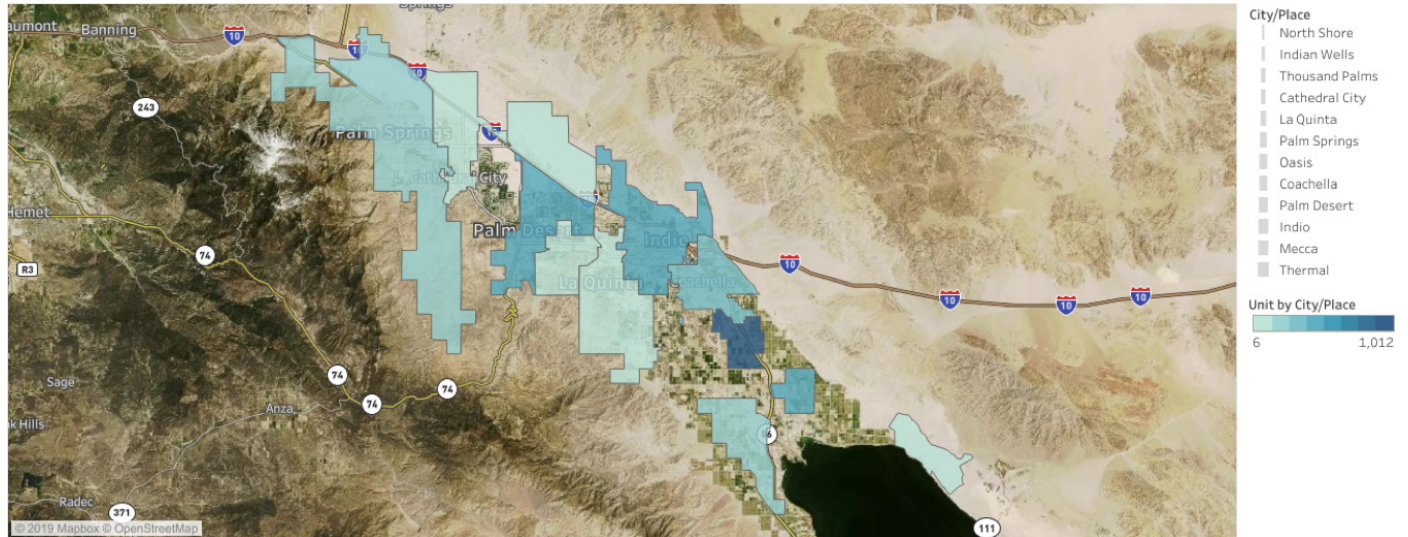
*Project units estimated using allowable density

Unit Breakdown by Product Type

Total Projected Units



Map: Managed Pipeline Units by Geography



Strategy: Sustaining a Regional Pipeline

In order to spur the development of more housing units in the Coachella Valley, particularly multi-family and affordable units, Lift to Rise will work with communities to obtain the most detailed and up-to-date information possible on current inventories of projects, available public lands and other development sites, and at-risk units (for preservation efforts).

Lift to Rise plans to map and organize this information through an online portal, sharing it with the development community and other key stakeholders in order to frame new projects for development and investment, and sustain a regional pipeline over time.

Core Functions	Outcomes	
Track and monitor the progress of all ongoing development, including the identified 2,000 units for the two-year time frame	Our ability to track ongoing and anticipated development in the Coachella Valley will assist the group in identifying: <ul style="list-style-type: none"> Investable opportunities and potential deals 	
Compile an inventory of available public lands and other development sites in order to sustain a regional pipeline over the next 10 years	<ul style="list-style-type: none"> Type of intervention needed e.g. policy, financing, and investment Patterns in regulatory issues and opportunities to accelerate production Barriers to the construction and development of housing, unique to the context of the region 	
BENCHMARKS		
Within 6 Months	Within 1 Year	Within 2 Years
<ul style="list-style-type: none"> Secure funding for the role of a regional planner to serve the Coachella Valley Fill role of the regional planner to be housed at Lift to Rise Publish managed pipeline online Adopt and implement pilot strategy with the City of Coachella Initiate strategy with the City of Palm Desert, Cathedral City, and La Quinta 	<ul style="list-style-type: none"> Publish land inventory of all participating jurisdictions online Adopt and implement targeted strategies with the cities of Palm Desert, Cathedral City, and La Quinta Targeted strategy with the County of Riverside to address regulatory challenges in unincorporated, County jurisdictions 	<ul style="list-style-type: none"> Roll out additional units to meet our 10-year unit goal Implement strategy in remaining jurisdictions
<ul style="list-style-type: none"> Quarterly and ongoing monitoring and tracking of managed pipeline 		

INVESTMENT

Result: Build regional investment, including a regional housing fund that will support community-valued projects.

Our partners have unanimously identified the critical need to create a regional housing fund that enables us to support community-valued projects which are currently unfunded due to existing housing finance limitations. Yet, with soft subsidies and policy changes, we can tip the balance into feasibility.

Over the past 12 months, the Housing CAN has assembled, tested, and scrubbed a pipeline of projects with financing gaps in the Coachella Valley. We identified 31 projects, with **\$750 million total development costs and a \$250 million financing gap**. This pipeline has been thoroughly examined and reviewed for accessible funding sources, and the gap is down to \$100 – 125 million required over the next few years.

Strategy: The Coachella Valley Affordable Housing Catalyst Initiative



The Coachella Valley Catalyst Initiative will mobilize approximately \$160 million in resources for this purpose, providing capital subsidies, operating subsidies and loans to close the gap and stimulate the affordable housing production in the Coachella Valley. Approximately \$100 – 125 million of these resources will be dedicated to a Catalyst Fund, which will leverage public, philanthropic and private capital on favorable terms to support a portfolio of housing development.

The Initiative and the Fund will serve as a quarterback for a comprehensive vision of inclusion and equitable development in the Valley. Whenever possible, the fund will not only support housing, but will also link families and children to other high-quality services, like early learning and child development, good schools, health services, transportation, recreation and green spaces.

POLICY

Result: Change local policies to advance our shared priorities and the development of the pipeline.

There are many affordable housing projects in the regional development pipeline that are stalled due to onerous local and statewide policies that stifle the production of affordable housing. In order to achieve our result to reduce rent burden, there is a need to engage both community members and local policymakers to make the systemic changes needed to radically change the way affordable housing is considered, planned, resourced, and built in our region.

To this end, our CAN has set the following policy priorities:

Policy Priority	Brief Description
Increase Density	Update standards and design guidelines to allow for more housing units to be built on a site.
Reduce Development & Impact Fees	Waive or reduce fees for affordable housing projects. This includes reassessing fees to adhere to best practices such as reductions, deferrals, sliding scale or proportionate impacts fees (e.g., ADUs, transit-oriented and infill development, special needs housing), and free transparency measures including publicly available fee calculators.
Increase Opportunities for By-right Development, Streamlining, and/or Expedited Processing	By-right: Allow for projects to be approved administratively when a proposal meets local zoning requirements and avoid additional reviews. Increase opportunities for by-right development pursuant to state law. Streamlining: Adopt and implement streamlining strategies to speed up approval timelines and permit processing across Coachella Valley jurisdictions.

See the following pages for a breakdown of local housing strategies by policy priorities.

Policy Recommendation: Increase Density Through Zoning Rules	
Why does this matter?	Local Strategies: What can jurisdictions do?
<i>Zoning</i> dictates a property’s allowable use and form and is key to meeting our region’s housing needs. <i>Form</i> dictates the share of land covered by buildings, and the distance of buildings from neighboring properties and roads. Rules about form influence how many units can be built on a parcel/site and at what densities (e.g. height restrictions, parking requirements, and setbacks).	<ul style="list-style-type: none"> Develop standards and design guidelines to allow for more housing units to be built on a site. Set a minimum density of 20 units per acre across Coachella Valley jurisdictions Update development standards and design guidelines to allow for more units on less land Reduce or remove parking requirements Mandate that all local agencies adopt an Accessory Dwelling Unit (ADU) ordinance, more casually referred to as “in-law units,” these are detached buildings on a property where there is an existing house

Policy Recommendation: Reduce Development & Impact Fees

Why does this matter?	Local Strategies: What can jurisdictions do?
<p>Development and Impact fees significantly increase the cost of housing production. Developers are subject to permit processing fees and zoning and development impact fees. Jurisdictions often charge impact fees on housing developments projecting that there will be increased need for public services and amenities.</p>	<p>Jurisdictions can waive or reduce fees for affordable housing projects to incentivize the production of affordable housing and/or the inclusion of affordable units within other developments by:</p> <ul style="list-style-type: none"> • Reviewing and waiving the impact fees and permit fees on developments for affordable housing units. • Reassessing fees to adhere to best practices such as reductions, deferrals, sliding scale or proportionate impacts fees (e.g., ADUs, transit oriented and infill development, and special needs housing) • Adopting low cost transparency measures including publicly available fee calculators

Policy Recommendation: Increase Opportunities for By-right Development, Streamlining, and/or Expedited Processing

Why does this matter?	Local Strategies: What can jurisdictions do?
<p>The length of time for a project to get through city permitting processes is the single most significant driver of costs. Under discretionary review, projects must attain approval from discretionary bodies like the Planning Commission, Design Review Committee, City Council, etc. However, they increase the cost of the entitlement process and delay approvals. Taken together, this amounts to added risks for project denial and depresses construction.</p>	<ul style="list-style-type: none"> • By-right: Allow for projects to be approved administratively when the proposal meets local zoning requirements. • Policies and procedures can be adopted by jurisdictions that provide a transparent and predictable path to projects that conform to development standards (e.g. meet local zoning requirements.) <ul style="list-style-type: none"> • Ensure local implementation of SB35 pursuant to state law • Increase transparency and predictability • Minimize or remove the need for California Environmental Quality Act (CEQA) review • Rezone to permit by-right for multifamily • Streamlining strategies can be adopted to speed up approval timelines and permit processing across Coachella Valley jurisdictions. Successful strategies include: <ul style="list-style-type: none"> • Expedited permit processing • One-stop-shop permitting • Provide staff-level review to projects consistent with standards • Simultaneously processing for various permits (e.g. building, fire, health, and sanitation) • Electronic Plan Check (E-plan check) • Centralize agencies designated to hold decision-making authority for permits and to coordinate with other agencies • Adoption of technology solutions for efficiency; digitize permitting to reduce errors/delays caused by data entry, document transfers, and paper file searches

Economic Opportunity CAN

CONTEXT

Our Economic Opportunity CAN, formerly the Social Connection CAN, emerged from a recognition that, in order to transform the landscape of opportunity, we need to tackle the underlying economic forces that drive resident's vulnerability. Through collaboration and community listening, our group identified income, wages, and employment as the CAN's central focus area. For CAN strategies to be successful, the CAN must build its collective strength and capacity by aligning key stakeholders around a common goal and mutually reinforcing activities. See Appendix E for critical benchmarks as we build out this CAN.



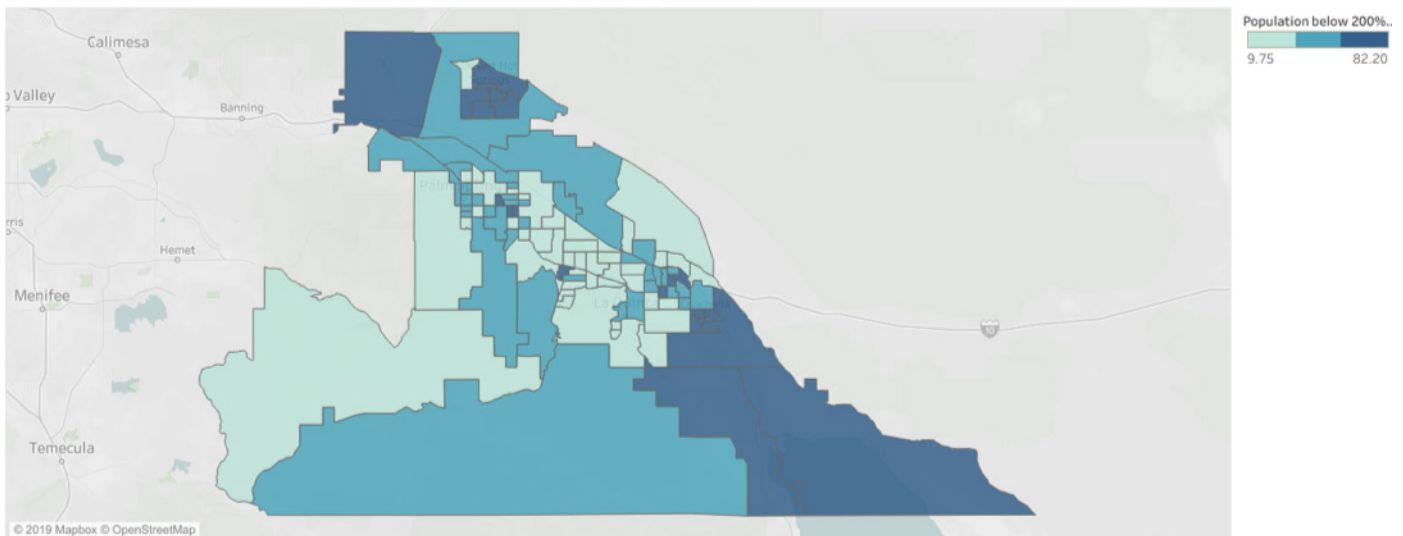
All Coachella Valley families have the opportunity to secure stable employment and live healthy and prosperous futures.



Economic hardship in the Coachella Valley has reached alarming levels, requiring immediate, significant interventions to generate opportunities for residents living in continual economic crisis. **Nearly one in two valley residents earn below 200% of the Federal Poverty Level**, living on the fringe of our local geography, often employed in seasonal, part-time work with inadequate access to financial institutions for basic banking services, and lacking resources within social support networks to assist.

The Economic Opportunity CAN is dedicated to increasing economic and financial stability by building a comprehensive continuum of immediate stabilizing support as we work to build a bold systems change agenda around income, wages, and employment.

Percent of the Population below 200% Poverty Threshold
American Community Survey, 5-year Estimates 2017



The percentage of individuals who earn below 200% of the federal poverty threshold.

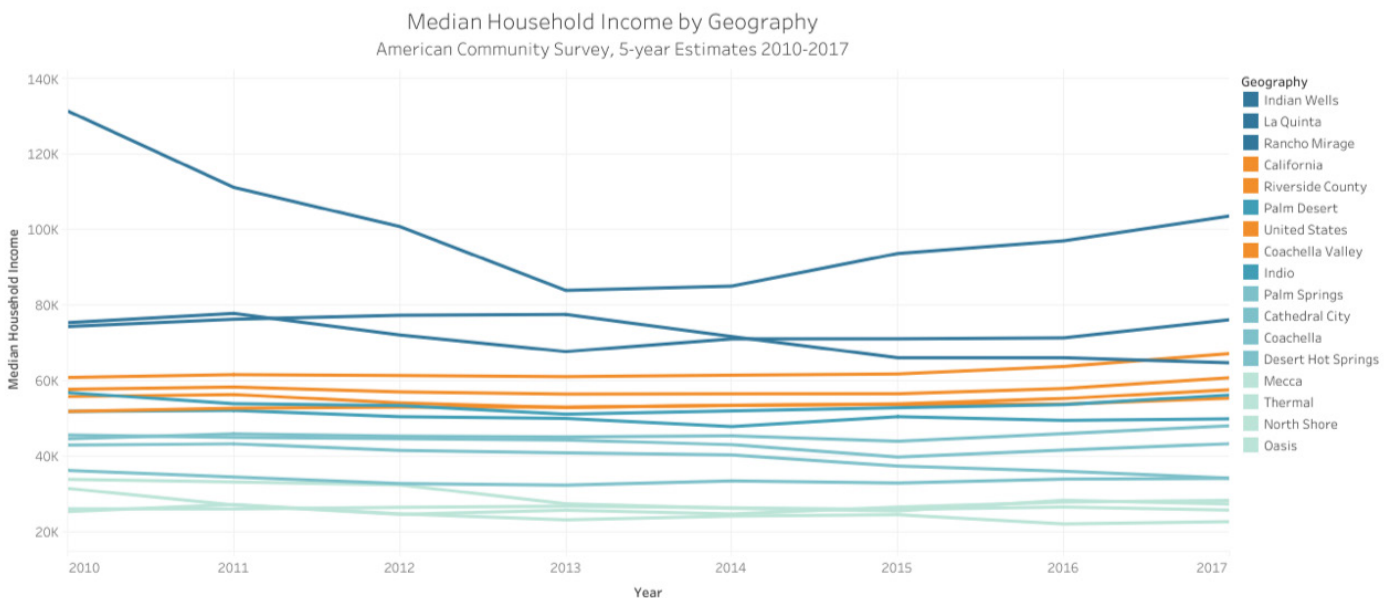
“It came down to either pay what I could on the electric bill and put food on the table or go without food.”

— Resident of the City of La Quinta

WHAT WE KNOW

Job Quality and Availability

Job availability and access are a fundamental part of economic opportunity in any region, but particularly in the Coachella Valley. Residents consistently cite the lack of a sufficient number of quality jobs, including safe and stable jobs that pay a living wage. Beyond the number of jobs, stagnant wages are an issue across the Coachella Valley, like much of the nation. With wages not keeping pace with the cost of living, and reports of labor exploitation, it is persistently challenging for residents to make ends meet. With precarious and low-wage employment, residents report that youth often must work from an early age, and often in fast-food jobs to help contribute to household expenses.



STRENGTH

Resident Experience

Resident input suggests that economic opportunity is reflected in such issues:

- Low income and wage instability
- Poor job quality
- Lack of employment prospects and access
- Barriers to educational achievement and levels of educational attainment
- Access to financial institutions and tools that enable wealth building over time

Energy Costs & Affordability

Energy costs are an important and unavoidable part of housing costs, in a part of the state known for 100+ degree temperatures. Residents cited energy costs as a key contributor to their ongoing housing cost burden. Energy-related subsidies can help defray the total costs that residents pay. Despite the existence of these programs, many residents expressed confusion about program availability and eligibility, as well as differences across populations. It is important to consider these programs as part of a comprehensive set of interventions to build regional affordability, particularly since such programs can be enacted—offering residents needed assistance—more quickly than building new housing stock.



Immediate Stabilizing Supports

Across the Valley, residents consistently described the precarity created by the high costs of utilities and inability to establish credit with traditional financial institutions. The Economic Opportunity CAN is piloting two innovative “stabilizing” strategies, while simultaneously working with partners to build out a more comprehensive continuum of stabilizing supports.

Strategy: CARE/FERA Utility Discount Program		
Description	Key Partners	Outcomes
<p>Lift to Rise is working closely with Desert Community Energy throughout 2020 and 2021 to implement an enhanced enrollment program for the California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs in Palm Desert, Palm Springs, and Cathedral City. An estimated 6,000 eligible accounts for CARE or FERA combined in the DCE territory are not currently accessed by residents. Enrolling even so much as 25% of this population will bring an estimated savings of \$872,465 for low income families.</p>	<ul style="list-style-type: none"> • Coachella Valley Association of Governments • Jewish Family Services • Senior Advocates of the Desert • Cathedral City Senior Center • City of Palm Springs • City of Cathedral City • City of Palm Desert • Desert Community Energy 	<ul style="list-style-type: none"> • Utility cost savings of \$864 (CARE) and \$443 (FERA) per participating household • Immediate financial savings • Immediate relief • Reduction in total housing costs for families • Increased retention and participation rate in programs • Information dissemination of program eligibility and availability • Effective coordination among partners • Coordination of (other) programs and services

Strategy: Mission Asset Fund Lending Circles

Description	Key Partners	Outcomes
<p>Mission Asset Fund (MAF) is a nonprofit organization on a mission to create a fair financial marketplace for hardworking families. Their purpose is to help extend affordable capital opportunities to members of unbanked, under-banked or low-income communities across the US that face financial exclusion – the lack of access to banking services and credit. Residents cite that without banking services they are vulnerable to predatory lending, experience poor credit and high interest rates, and are underserved by financial institutions.</p>	<ul style="list-style-type: none"> • Pueblo Unido CDC • College of the Desert • City of Coachella 	<ul style="list-style-type: none"> • \$360 on average of monthly savings for participants • Asset-building opportunities • 168 average credit score growth • Well-established safety nets (people to lean on) • Potential to refinance loans • Access to (low interest) tradelines: on average participants open up 3 tradelines (accounts) • Prevent predatory lending (vulnerability to) • Improve personal finance • \$1,000 debt reduction on average (per person)

See Appendix F & Appendix G for a more detailed summary of these strategies.



APPENDIX A: PARTNERS & KEY STAKEHOLDERS

PARTNERS & CONTRIBUTORS		
Private	Public	Nonprofit
<ul style="list-style-type: none"> • National CORE • MSA Consulting • Palm Communities • Chelsea Investment Corporation • Grant Development Company • Adobe Communities • San Francisco Federal Reserve Bank • Wells Fargo • Union Bank • Desert Valley Builders Association • Imperial Irrigation District • Allied Development Corporation • Caritas Development Corporation • Mechanics Bank 	<ul style="list-style-type: none"> • City of Indian Wells • City of Palm Desert • City of Coachella • City of La Quinta • City of Rancho Mirage • City of Desert Hot Springs • City of Palm Springs • City of Cathedral City • City of Indio • Riverside County Economic Development Agency • Riverside County Housing Authority • Office of Supervisor Manuel Perez • Office of Assembly Member Eduardo Garcia • Office of Congressman Ruiz • Borrego Healthcare • First 5 Riverside • Desert Community Energy • Coachella Valley Association of Governments • Inland Empire Health Plan • Coachella Valley Water District • Indio Water Authority • Desert Water Agency • Desert Sands Unified School District • Palm Springs Unified School District • Coachella Valley Unified School District • Desert Care Energy 	<ul style="list-style-type: none"> • USC Sol Price Center for Social Innovation • Pueblo Unido CDC • Community Housing Opportunities Corporation • Coachella Valley Housing Coalition • Clínicas de Salud del Pueblo • OneFuture Coachella Valley • Council of Mexican Federations in North America • Coachella Valley Rescue Mission • Jewish Family Services • Cathedral City Senior Center • Senior Advocates of the Desert • Southern California Association of Non-Profit Housing • RAP Foundation • United Way of the Desert • Desert Healthcare District • California Partnership • Leadership Counsel for Justice and Accountability • Housing California • Center for Community Investment • Residents United Network • Rural Local Initiative Support Corporation

APPENDIX B: HOW TO JOIN OUR COLLECTIVE

CAN members include community leaders, subject-matter experts, organizational staff, practitioners, area residents, and other representatives who work together to implement and carry out the work of Lift to Rise. CANs convene regular monthly workgroup meetings and hold subcommittee meetings as needed to ensure we achieve our CAN's results.

If you are interested in getting involved with Lift to Rise, please contact us at info@lifttorise.org.

If you would like to join the Housing Stability CAN, please email araceli@lifttorise.org.

If you would like to join the Economic Opportunity CAN, please email Hector@lifttorise.org.

Once you express interest in becoming a CAN member, you will meet in person with Lift to Rise's Implementation Manager leading the CAN to receive background materials and on-boarding training before attending a meeting. For your first CAN meeting, we ask that you observe the meeting before participating. We ask that CAN members make the following commitments:

- Commit to our shared results
- Commit to our shared values
- Commit to attending and prioritizing CAN meetings
- Commit to moving the work forward in your individual and organizational capacity

SHARED VALUES OF CAN MEMBERS

At Lift to Rise, we embrace a community culture that is respectful, open, and kind. We seek CAN meetings that are results-oriented, collaborative, and inclusive. Shared values of CAN members help us identify concrete ways to reinforce that culture and perform our shared work. Our expectation is that all CAN members agree and act in the spirit of these shared values:

How we work together

- Welcome all members of the CAN as having equal inclusion and opportunity to participate.
- Embrace that no one knows everything alone, but together we know a lot.
- Respect one voice at a time.
- "Step Forward/Step Back": If you are usually quiet, challenge yourself to take more space. If you usually talk a lot, be mindful of creating space for quieter voices.
- Use inclusive language that is accessible for people with varying knowledge and expertise; avoid jargon and insider language.
- Speak from your own experience.
- Be accountable to each other and the community at large, and take responsibility for direct and open communication, transparency, and commitment to shared power.
- Make action commitments and follow commitment with action.
- Stay accountable to the work and follow through with what you say you'll do.
- Work together to achieve shared results.

Lift to Rise partners have signed on to implement our multi-year action plan to mobilize our partnerships and propel us towards achieving population-level results in the areas of housing stability and economic opportunity.

APPENDIX C: STORY AGENDA



NEIGHBORHOOD DATA FOR SOCIAL CHANGE COACHELLA VALLEY

As part of this work, Lift to Rise is improving the ease of access to data in the Coachella Valley. The Neighborhood Data for Social Change (NDSC) is a project of the USC Sol Price Center for Social Innovation. The NDSC web portal provides open-source, high-quality neighborhood-level data. In addition to empowering policymakers and local leaders with the data needed to enable evidence-based policy decisions, the platform allows Coachella Valley residents to tell stories about their local neighborhoods, to help build a rich, authentic, and evidence-based narrative of life in the Coachella Valley and context for the data.

NDSC COACHELLA VALLEY FIRST YEAR BENCHMARKS		
Private	Within 6 Months	Within 1 Year
Narrative Creation	<ul style="list-style-type: none"> Co-author and publish two data stories with community partners 	<ul style="list-style-type: none"> Co-author and publish a total of five data stories with community partners Publish all data stories and products in Spanish
Capacity Building	<ul style="list-style-type: none"> Co-host three place-based NDSC community workshops with community partners Design and produce an NDSC community workshop in the Spanish language as part of the Resident Leadership Table Curriculum 	<ul style="list-style-type: none"> Co-host a total of six place-based NDSC community workshops with community partners Conduct a total of two to three NDSC community workshop in the Spanish language with resident leaders

APPENDIX D: STRENGTH AGENDA



THE RESIDENT LEADERSHIP TABLE

In our efforts to engage residents we have hired staff and are working to operationalize a pipeline for expanded resident engagement in our Housing Stability and Economic Opportunity CANs. The center piece is a Resident Leadership Table with 12 to 15 residents who represent our diverse multiple municipality catchment. Some have experience in leadership roles or may already be engaged in community-based organizing. All participate in capacity building trainings to support the overall success of the Housing Stability and Economic Opportunity CAN strategies. Lift to Rise is committed to ensuring that our CANs are inclusive of residents and authentically driven by resident priorities, and we will work to assess and ensure that resident perspectives are reflected in our strategies.

CURRENT RESIDENT ENGAGEMENT IN THE CAN(S) AS OF DECEMBER 2019

Housing CAN

Housing CAN partners identified various opportunities for resident engagement in CAN strategies. Housing CAN partners identified the need for greater access to education on tenant right services and tenant protections, legal aid services, landlord, owner and property manager trainings, legal rights and responsibilities, and understanding of systems change. Our goal is to attain our result where all Coachella Valley housing decisions are driven by residents. As such we aim to identify authentic ways to engage residents in defining policy as well as the housing pipeline.

Economic Opportunity CAN

The Economic CAN currently engages residents in the development of Economic CAN strategies, our work aims to support residents in their leadership development to understand ways in which we can scale and test strategies of implementation for the Lending Circles and Utility Subsidies. We hope to engage residents and partners in collaboratively developing the implementation of these strategies as well as identifying the opportunities to scale and identify the way in which these will shift how low income Coachella Valley families access economic opportunities, stability and mobility.

RESIDENT LEADERSHIP CAPACITY BUILDING

In addition to the Resident Leadership Table, Lift to Rise is recruiting an additional 50+ residents from across the Coachella Valley who are interested in building their leadership capacity. Residents will also participate in capacity building trainings to establish a strong foundation for participation and engagement in systems-level strategies. Residents will gain an understanding of the results framework, elements of building a campaign, including power mapping, composition analysis, community organizing 101, movement building, and policy. As we look to achieve our result where all Coachella Valley families are healthy, stable and thriving, we are effectively creating opportunities and pathways to build resident leadership that is regional and sustainable.

Resultados Cuentan

In alignment with our CAN and organizational framework we will be implementing *Resultados Cuentan* in our work to engage residents in advocacy and leadership efforts in the CAN. We will work with key CAN partners to develop a curriculum and trainings to support resident leadership development. Along with working with residents, we will work with partners to ensure that our processes to engage residents are effective and supportive of residents and our collective work.

RESIDENT LEADERSHIP FIRST YEAR BENCHMARKS

Within Six Months	Within One Year
<ul style="list-style-type: none">• Targeted outreach and recruitment of residents• Launch resident leadership table with 12 to 15 resident leaders, representative of Coachella Valley communities.• Recruitment of 30 to 60 additional residents to participate in capacity building trainings	<ul style="list-style-type: none">• Ongoing resident leadership trainings and capacity building• Engage residents in defining a result for resident leadership and engagement• Identify clear process for resident engagement and integration in CAN meetings and strategies• Operationalize resident engagement in CAN's and finalize resident engagement result.

APPENDIX E: ECONOMIC OPPORTUNITY CAN

BENCHMARKS FOR BUILDING THE CAN		
Within Six Months	Within One Year	Within Two Years
<ul style="list-style-type: none"> Develop a narrative for the CAN to obtain buy-in and a shared understanding of local challenges Build resident momentum on current interventions Identify the Key Players for the CAN Design an indicator for the CAN Identify the systems/forces at play to develop bold interventions 	<ul style="list-style-type: none"> Build a plan for finding alignment with the Housing Stability CAN Build a narrative to allow key players in the Coachella Valley to see the work as part of their mission Begin to plan the implementation of a bold and valley-wide systems intervention Create a test hypothesis to inform the implementation of a systems intervention Create a method of measuring success for the work of the CAN Develop a stable and cohesive CAN with high action and high alignment 	<ul style="list-style-type: none"> Implement and test a valley-wide systems intervention Produce results that residents and elected officials care about Finalize a core group of resident leaders (aligned with the Resident Leadership Table) that drives the work of the CAN

Key Partners & Sectors: Community Based Organizations, Local Media, Residents, Public Agencies, Coachella Valley Residents, Employers, City Governments, Local Leaders, and Business Leaders

APPENDIX F: UTILITY SUBSIDIES

OVERVIEW

Lift to Rise is working closely with Desert Community Energy throughout 2020 and 2021 to implement an enhanced enrollment program for the California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs in Palm Desert, Palm Springs, and Cathedral City. An estimated 6,000 eligible accounts for CARE or FERA combined in the DCE territory are not currently accessed by residents. Enrolling even so much as 25% of this population will bring an estimated savings of \$872,465 for low income families.

BACKGROUND

Based on the Neighborhood Data for Social Change – Coachella Valley data tool, four “hotspot” census tracts were identified as the “most underserved” regions in each of the target cities. All four regions had a high prevalence of households earning below 200% of the Federal Poverty Threshold, having Cash Public Assistance Income, receiving Food Stamp/SNAP benefits, and/or receiving Supplemental Security Income (SSI).

PROGRAM OUTCOMES

To increase enrollment participation rates in the California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) discount programs in Cathedral City, Palm Desert, and Palm Springs. These are programs offered by Southern California Edison and SoCalGas.

- CARE customers receive a savings reduction of 30% or 20% on their energy and gas bills, while FERA customers can save up to 18% on electric bills.
- Customers may qualify for CARE or FERA if someone in their household already participates in a public assistance program, such as CalWorks, food stamps, or Medi-Cal. Customers may also qualify based on household income.
- It is estimated that the average household would save \$744 annually with CARE electric or \$120 annually with CARE gas. A FERA customer would save \$443 annually on their electric bill in the Coachella Valley.

BENCHMARKS		
Within Six Months	Within One Year	Within Two Years
<ul style="list-style-type: none"> • Conduct listening sessions with low-income households on CARE/ FERA • Establish preliminary messaging and outreach strategy • Develop utility discount alliance with key organizations and community champions • 750 households enrolled into programs 	<ul style="list-style-type: none"> • Evaluation of program’s successes • Establish new goals based off evaluation • Review and adjust messaging and outreach strategy • 1,500 households enrolled in programs 	<ul style="list-style-type: none"> • Develop success stories from successfully enrolled households • Increase data collection methods to track further impact • Implement strategies to sustain the program over time • 3,000 households enrolled in programs

APPENDIX G: MISSION ASSET FUND “LENDING CIRCLES”

BACKGROUND INFORMATION

Mission Asset Fund (MAF) is a nonprofit organization on a mission to create a fair financial marketplace for hardworking families. Their purpose is to help extend affordable capital opportunities to members of unbanked, under-banked or low-income communities across the US that face financial exclusion – the lack of access to banking services and credit. Residents cite that without banking services they are vulnerable to predatory lending, experience poor credit, high interest rates, and are underserved by financial institutions.

OVERVIEW AND PARTNERS

Our partners include Pueblo Unido, College of the Desert, and the City of Coachella. With each of our partnerships, we are establishing three target populations to evaluate the impact of a social lending program. These target populations include mobile homeowners, residents, adult education students, and potential small business owners.

Lift to Rise aims to measure the impact of Lending Circles within each target population to further develop the strategies in the Economic Opportunity CAN. For example, those in the City of Coachella who participate in Lending Circles can also take supplemental courses from the Small Business Development Center and secure additional funding and opportunities to build businesses. Adult Education students who participate in Lending Circles will have the opportunity to establish and build their credit, take financial literacy courses, and improve their knowledge of personal finance. We aim to support Polanco Owners in building their credit and safety net so they can have better access to small business loans. Collectively, these results will help inform if increasing this type of financial access positively impacts and helps stabilize residents.

HOW LENDING CIRCLES WORK

Across the world, friends and family come together to lend money to each other. Through formalized Lending Circles, MAF transformed the practice into a safe way to build credit, save money, and develop financial literacy. Each month participants pool their money, and on a rotating basis one person receives a loan from the pooled funds. The borrower repays the loan through monthly payments of \$50-\$200. All members gain mutual support activities, participate in workshops, and establish connections with a network of people.

PROGRAM OUTCOMES

In a supportive environment of lending circles, participants invest regular amounts of money monthly and gain asset-building skills. Participants’ credit scores shift, their savings may increase, they typically experience a stronger safety net (people to lean on), and they are in a better financial position to refinance loans or access money for emergencies rather than fall victim to predatory loans. Further, the increased peace of mind and security is a huge matter for vulnerable families.

BENCHMARKS		
Within Six Months	Within One Year	Within Two Years
<ul style="list-style-type: none"> Establish a messaging and outreach strategy to develop successful pilot Lending Circles with potential incentives. 	<ul style="list-style-type: none"> Establish a method of using data for program improvement and share success stories to draw attention to banks and financial institutions. 72 people enrolled in Lending Circles 	<ul style="list-style-type: none"> 114 people enrolled in Lending Circles Build on success stories to create actionable results for the community. Research broader impacts of Lending Circles. Use available data to inform other financial needs among target populations Work with Lending Circle participants on other uses of loans Establish a financial education pilot program in local high schools.

APPENDIX H: ACKNOWLEDGEMENTS

50+ Community Partners
 Center for Community Investment
 USC Sol Price Center for Social Innovation
 Nancy Andrews, Retired CEO, Low Income Investment Fund
 Toni Cooke, Common Ground Consulting

MSA Consulting Firm
 Riverside County Economic Development Agency
 Lift To Rise Staff
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APPENDIX I: GLOSSARY OF TERMS

CANs (Collaborative Action Networks) are groups of cross-sector practitioners and individuals who organize around a community level outcome, develop and implement action plans to achieve the outcome, and use continuous improvement processes to measure their impact and improve their strategies over time.

Change refers to achieving population-level results at scale.

Collective Impact is defined as the commitment of a group of cross-sector actors to a common agenda for solving a targeted social problem through alignment and differentiation of efforts. Collective impact efforts around the country often grow out of the recognition that stake-holders across the community have a deep, vested interest in improving outcomes, and these outcomes depend on a complex range of challenges that can only be improved through a systematic and coordinated approach owned by the many relevant players.

The five necessary conditions of collective impact are:

- A **Common Agenda** is a shared vision for change, including a common understanding of the problem and a joint approach to solving it through agreed upon actions.
- **Shared Measurement** is collecting data and measuring results consistently across all participants to ensure activities remain aligned, decisions are data-driven, and participants hold each other accountable.
- **Mutually Reinforcing Activities** are actions taken by stakeholders that are both differentiated and coordinated through a plan of action.
- **Continuous Communication** is consistent and open across the many players in order to build trust, assure mutual objectives, and appreciate common motivation.
- The **Backbone Organization** coordinates and manages the day-to-day operations and implementation of work, including stakeholder engagement, communications, data collection and analysis, and other responsibilities.

Focal Result is the overall goal of the work, focused on population-level change in a social issue. They are focused on the system, environment, or community that surrounds and supports the issue, not just the individuals involved.

Outcome reflects changes we expect to see as a result of our efforts within a set timeframe. This can include measurements of change in knowledge, opinion, values, attitudes, skills, policies, decisions, systems or structures.

Indicators are used to track the initiative's progress towards both outcome and impact goals using both existing or new data sources and methodologies.

Leadership Table is the entity providing guidance and oversight to the Collective Impact initiative, with membership representing the wide range of stakeholders with the ability to influence the issue.

North Star is the visionary goal toward which work is leading.

Story means establishing a common understanding from which to work.

Strength means building local strength to sustain social change over time.

Stakeholders are individuals or organizations with the ability to influence the social issue that is the focus of the Collective Impact initiative. They may represent the public, private, nonprofit, or philanthropic sectors, the population targeted for change, or any party with a stake – or vested interest – in the matter.

Strategies are evidence-informed activities and processes that support the adoption and implementation of each goal, selected by Collaborative Action Networks.

System is the group of interdependent actors and factors, both formal and informal, forming a complex social problem. No one person or organization has the ability to influence the entire system, but working together, the group can move towards systems change.

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LIFT TO RISE

FOR MORE INFORMATION CONTACT:

W: lifttorise.org

P: (760) 636-0420

E: info@lifttorise.org

 DESERT HEALTHCARE DISTRICT & FOUNDATION									
COVID-19 FUNDING ALLOCATIONS									
			DHCD		OTHERS			TOTAL	
RAP Foundation COVID-19 Collaborative Fund			\$ 100,000					\$ 100,000	
Regional Access Project (RAP) Foundation					\$ 100,000			\$ 100,000	
(AIDS Assistance, Hope Through Housing Foundation, Cathedral City Senior Center, Mizell Senior Center, Joslyn Senior Center, and Well in the Desert)									
Lift to Rise - Regional Economic Protection Plan 1			\$ 100,000		\$ 1,150,000			\$ 1,250,000	
Regional Access Project (RAP) Foundation					\$ 50,000			\$ 50,000	
Lift to Rise - Regional Economic Protection Plan 2			\$ 500,000		\$ 13,000,000			\$ 13,500,000	
FIND Food Bank			\$ 401,308					\$ 401,308	
Federally Qualified Health Centers (FQHCs)/Community Health Centers Core Operating Support Grants (Desert AIDS Project (DAP), Borrego Health, Clinicas de Salud del Pueblo, Volunteers in Medicine)			\$ 550,000					\$ 550,000	
Regional Access Project (RAP) Foundation					\$ 50,000			\$ 50,000	
Borrego Community Health Foundation					\$ 759,679			\$ 759,679	
Clinicas de Salud del Pueblo					\$ 618,481			\$ 618,481	
FQHC COVID-19 Antibody Testing			\$ 350,000					\$ 350,000	
COVID-19 Education			\$ 50,000					\$ 50,000	
Homeless Shelters Emergency Fund (Coachella Valley Rescue Mission (CVRM), Martha's Village & Kitchen, Galilee Center)			\$ 75,000					\$ 75,000	
Grantmakers Concerned with Immigrants & Refugees (GCIR)			\$ 150,000		\$ 275,000			\$ 425,000	
Personal Protective Equipment (PPE) Purchase			\$ 30,000					\$ 30,000	
Desert Cancer Foundation			\$ 150,000					\$ 150,000	
Olive Crest Treatment Center			\$ 50,000					\$ 50,000	
PENDING - UCR School of Medicine (Farm Working Communities in the Eastern CV)			\$ 149,976					\$ 149,976	
Total COVID-19 Funding Allocations			\$ 2,656,284		\$ 16,003,160			\$ 18,659,444	



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: June 23, 2020
To: Board of Directors
Subject: Notice of Election

Staff Recommendation: Consideration to approve the Registrar of Voters Riverside County Notice to the Registrar of Voters – General District Election, November 3, 2020

Background:

- In November 2018, voters approved Measure BB to expand the District boundaries.
- As a result of the District expansion, two additional zones formed – zones 6 & 7.
- One of the two appointed Directors, President De Lara representing zone 7 term expires in 2020.
- In March 2019, prior director, Jennifer Wortham resigned from her position, creating a vacancy in Zone 5.
- The appointed Director, Arthur Shorr, to fill the vacancy in Zone 5 term expires in 2020.
- Elected Directors Mark Matthews and Les Zendle, MD, terms expire in 2020.
- Staff recommends Board approval of the Registrar of Voters Notice of General District Election Form that will accompany the current map boundaries, due to the Registrar of Voters by July 1.

Fiscal Impact:

None

**NOTICE TO THE REGISTRAR OF VOTERS
(ELECTIONS CODE §§ 10509, 10522; W.C. § 71451)
GENERAL DISTRICT ELECTION, NOVEMBER 3, 2020**

DISTRICT: Desert Healthcare District **PHONE:** 760-323-6113
ADDRESS: 1140 N. Indian Canyon Dr., Palm Springs 92262 **FAX:** 760-323-6825
MAILING ADDRESS: Same as above **E-MAIL:** ahayles@dhcd.org

LIST NAMES OF DISTRICT DIRECTORS WHOSE TERMS EXPIRE ON DECEMBER 4, 2020

NAME OF DIRECTOR (4 Directors)	DIVISION NUMBER (IF APPLICABLE)
Leticia De Lara	N/A
Arthur Shorr	N/A
Les Zendle, MD AND Mark Matthews	N/A

The following section applies only if a Director(s) was/were appointed to fill a vacancy in an office, which is not normally scheduled to be voted on this year (Short term).

NAME	DIVISION (If applicable)	DATE APPOINTED	DIRECTOR REPLACED
Leticia De Lara		01/15/19	N/A - Addition of 2 new zones
Arthur Shorr		04/14/19	Filled the vacancy of a resigned member

STATEMENT OF ECONOMIC INTERESTS: The Government Code now requires all candidates to file a Form 700 with the Registrar of Voters by the nomination period deadline. If the candidate has previously filed an initial, assuming office, or annual statement for the same office sought within 60 days before the nomination deadline then the candidate does not have to file the Form 700 again.

CANDIDATE'S STATEMENT: Who is to pay the cost of the printing and handling of statement?
Please check appropriate box. **CANDIDATE** **DISTRICT**

NOTICE OF ELECTION published by Registrar of Voters in Desert Sun
(Insert name of Local Newspaper)

CANDIDATES may obtain nomination documents from the Registrar of Voters, 2720 Gateway Drive, Riverside, CA 92507, or from the District Secretary located at:

Desert Healthcare District - 1140 N. Indian Canyon Drive, Palm Springs, CA - 8:30 a.m. - 5:00 p.m.
(Insert Location Name, Address, and Business Hours)

DISTRICT MAP: Attach 34" x 42" map showing district boundaries and divisions, if applicable.

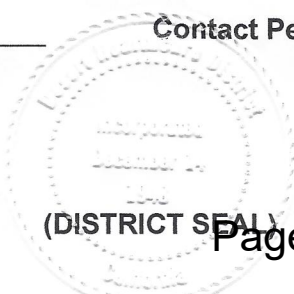
Enclosed Map Contains Boundary/Division Changes YES NO Adopted 10/22/2019

I certify that the enclosed map of the district boundaries and divisions is true and correct as of this date, and is submitted in compliance with Section 10522 of the California Elections Code for use in the General District Election to be held on November 3, 2020, or that there have been no changes to the boundaries as of the last General District Election.

Dated: 06/23/20

Contact Person: Andrea S. Hayles

Sign: Andrea S. Hayles
(District Secretary)





Date: June 23, 2020

To: Board of Directors

Subject: Advancing the District's Role in Addressing the Healthcare Needs of Black Communities in the Coachella Valley

Background:

- Health inequities among racial minorities are pronounced, persistent, and pervasive. Racism may be one cause of these inequities as studies find that individuals who report experiencing racism exhibit worse health than people who do not report it.
- The Desert Healthcare District acknowledges this. On June 3, 2020, the District released a statement against racism, oppression and inequality in all of its forms, and in solidarity with the black community, especially in light of recent deaths of black Americans in the hands of law enforcement.
- To make progress, we have to shift the conditions that hold a problem in place. And doing this means addressing the social determinants of health, building a healthcare system that focuses on equity and inclusion, a healthcare system that focuses on the needs of all our residents, including, and especially, the needs of our communities of color.
- To better understand these conditions, and to create a long-term plan to address it, the District commissioned a Community Health Needs Assessment (CHNA) and a 10-year Health Improvement Plan (HIP). This work is ongoing and expected to be completed in the first half of 2021.
- In 2014, the District supported a place-based initiative that included the historically black neighborhood of Desert Highland Gateway (DHG); a Community Health Assessment (DHG-CHA) was established, and the District supported the training of four community members through the Loma Linda University Institute for Community Partnerships and El Sol Neighborhood Education Center -Community Health Worker (Promotores de Salud) Academy.
- This work led to the expansion of a community advisory committee comprised of DHG community members and other key stakeholders to guide and support the work of the community health workers and the community beyond the initial placed-based intervention.

- This resulted in the development of a Collective Impact Community Model Plan for a second phase of the placed-based intervention, which focused on five primary objectives:
 1. Health Navigation Program
 2. Low Cost Health Care Access
 3. Job Placement Programming
 4. At-Risk Youth Programming
 5. Vocational Training Resources
- The community has demonstrated the health and academic disparities faced by DHG students in comparison to their counterparts.
- DHG established an African American Parent Advisory Council at the Palm Springs Unified School District and has continued to elevate facts about their community, including that its location keeps it isolated from accessing essential amenities such as grocery stores and healthcare services.
- But more resources are needed.

Recommended Response

- There is \$432,595 in unallocated funds from the current fiscal year.
- Staff recommends allocating these funds to the Desert Healthcare Foundation to advance the District's role in addressing the healthcare needs of black communities in the Coachella Valley.
- The allocation would include a \$332,595 fund to address **access to healthcare**, including but not limited to primary care, behavioral health, and navigation services; and a \$100,000 startup allocation toward a scholarship fund to **Expanding Racial Diversity in the Health Profession Workforce** by supporting black students pursuing health careers.
- The Foundation will invite members of the community to help design how these funds will be deployed. Community members will help design a Request for Proposals (RFP) that will aim at identifying the most innovative and equitable approaches to building a healthcare infrastructure that addresses the needs of black communities.
- The District/Foundation will seek opportunities to leverage additional funds to enlarge the investments in the community.
- Additionally, the District/Foundation will explore how best the scholarship fund will be deployed, and discuss opportunities with other organizations, including OneFuture Coachella Valley, and the Negro Academic Scholarship Fund.

Recommendation: To approve \$432,595 to be allocated to the Desert Healthcare Foundation to advance the District's Role in Addressing the Healthcare Needs of Black Communities in the Coachella Valley.

Fiscal Impact: \$432,595 from the remaining grantmaking budget (FY2019-2020).



Date: June 23, 2020

To: Board of Directors

Subject: Dissolution of the Desert Hot Springs Health and Wellness Foundation.

Background:

- In 2011 New Market Tax Credit (NMTC) funds were available to the City of Desert Hot Springs. The New Market Tax Credit required a Qualified Low-Income Community Investments (QLICI) foundation be established.
- The Desert Hot Springs Health and Wellness Foundation (the "HWF") was formed as a 501(c)3 and made the City of Desert Hot Springs eligible to receive NMTC funding. The HWF established a 5-member Board of Directors.
- DHCD has one seat on the Board of Directors filled by the District's CEO.
- The purpose of the Foundation was primarily, to embark on the acquisition of real property, and building a community health and wellness center in the city of Desert Hot Springs, to promote the health and wellbeing of the residents of DHS and surrounding areas.
- In 2012, the Desert Healthcare District (DHCD) provided funding support to construct the Desert Hot Springs Health and Wellness Center.
- The Health and Wellness Center is currently operated by public agencies and other nonprofit organizations, including the Borrego Community Health Foundation and continues to provide health and wellness services.
- At the June 8, 2020 meeting, the Board of Directors adopted a Resolution on winding down and dissolution of the Desert Hot Springs Health and Wellness Foundation and that the Board of Directors be authorized to take all steps necessary to complete the process.

Recommendation: Information only

Fiscal Impact: N/A



**DESERT HEALTHCARE DISTRICT
PROGRAM COMMITTEE MEETING
MEETING MINUTES
June 09, 2020**

Directors Present via Video Conference	District Staff Present via Video Conference	Absent
Chair Evett PerezGil Vice-President Karen Borja Director Carole Rogers, RN Nicolas Behrman, Community Member Luciano Crespo, Community Member Allen Howe, Community Member	Conrado E. Bárzaga, MD, Chief Executive Officer Chris Christensen, Chief Administration Officer Donna Craig, Chief Program Officer Alejandro Espinoza, Program Officer and Director of Outreach Meghan Kane, Programs and Research Analyst Erica Huskey, Administrative and Programs Assistant Andrea S. Hayles, Clerk of the Board	Thomas Thetford, Community Member

AGENDA ITEMS	DISCUSSION	ACTION
I. Call to Order	The meeting was called to order at 12:09 p.m. by Chair PerezGil.	
II. Approval of Agenda	Chair PerezGil asked for a motion to approve the agenda.	Moved and seconded by Community Member Howe and Vice-President Borja to approve the agenda. Motion passed unanimously.
III. Meeting Minutes 1. May 12, 2020	Chair PerezGil asked for a motion to approve the May 12, 2020 minutes.	Moved and seconded by Vice-President Borja and Community Member Crespo to approve the May 12, 2020 meeting minutes. Motion passed unanimously.
IV. Public Comment	There was no public comment	
V. Old Business 1. Funding Requests	Chair PerezGil provided an overview of the funding requests as illustrated in the packet. Director Rogers inquired on the funding request to Loma Linda University Medical Center Indio Children’s Hospital. Dr. Bárzaga explained the email to the Board of Directors illustrating the recipients of funding from the CARES Act as published by Health and Human Services (HHS) and SAC Health System. Loma Linda received	

**DESERT HEALTHCARE DISTRICT
PROGRAM COMMITTEE MEETING
MEETING MINUTES
June 09, 2020**

<p>2. Grant Payment Schedule</p> <p>3. COVID-19 Grant Funding Update</p>	<p>\$800k in funding from the CARES Act, and Dr. Bárzaga elaborated that Desert Regional Medical Center’s Residency program will conclude at the end of the month. The Residency Program will be replaced with the Tenet Program, and the pediatric Residency Program contracted with Loma Linda.</p> <p>Chair PerezGil provided an overview of the grant payment schedule as detailed in the packet.</p> <p>Dr. Bárzaga described the spreadsheet of the COVID-19 grant funding the District has disbursed to date, further explaining each allocated line item.</p>	
<p>VI. New Business</p> <p>1. Consideration to approve Grant # 1124 University of California, Riverside (UCR) – COVID-19 Testing and Public Health Education for Farm Working Communities in the Eastern Coachella Valley – \$149,976</p>	<p>Donna Craig, Chief Program Officer, provided an overview of the grant request from University of California Riverside (UCR), School of Medicine for COVID-19 testing and public health education in Mecca, Thermal, Oasis, and Northshore.</p> <p>Ann Cheney, Ph.D, UCR School of Medicine, Dept. of Social Medicine & Population Health, provided an overview of the grant request, also explaining that the county is providing test kits and personal protective equipment (PPE) to UCR if the grant is awarded, focusing on providing medical care to</p>	<p>Moved and seconded by Vice-President Borja and Director Rogers to approve Grant #1124 – University of California, Riverside (UCR) – COVID-19 Testing and Public Health Education for Farm Working Communities in the Eastern Coachella Valley – \$149,976 and forward to the Board for approval. Motion passed unanimously.</p>

**DESERT HEALTHCARE DISTRICT
PROGRAM COMMITTEE MEETING
MEETING MINUTES
June 09, 2020**

	<p>residents of the eastern Coachella Valley, and Spanish speaking farmworkers.</p> <p>Lucero Vaca, Program Coordinator, UCR School of Medicine, Dept. of Social Medicine & Population Health provided additional details of the COVID-19 testing and public health education.</p>	
<p>VII. Committee Members Comments</p>	<p>Director Rogers described the remaining grant funding, and moving forward, the District should have a procedure for more outreach of grants, especially for COVID-19, to support more nonprofits in the east valley.</p> <p>Vice-President Borja explained that the Desert Sun reported an increase in positive COVID tests in the city of Coachella, including with the current protests, inquiring if it is possible to provide mobile partners at the protests locations before and after for testing purposes.</p> <p>Linda Evans, Chief Strategy Officer, Desert Care Network, Desert Regional Hospital, explained that there is a small increase in hospitalization numbers due to transfers from other areas. Messaging from the District would assist with the fundamentals of once more, flattening the curve.</p>	
<p>V. Adjournment</p>	<p>Chair PerezGil adjourned the meeting at 12:52 p.m.</p>	<p>Audio recording available on the website at http://dhcd.org/Agendas-and-Documents</p>



**DESERT HEALTHCARE DISTRICT
PROGRAM COMMITTEE MEETING
MEETING MINUTES
June 09, 2020**

ATTEST: _____
Evett PerezGil, Chair/Director
Program Committee

Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board

DRAFT

FUNDING REQUESTS UPDATE for June 2020

Information only – status update of new letters of interest and pending applications

PLEASE NOTE: Due to the COVID-19 pandemic, some LOI's and Applications have been put on hold and/or suspended due to the fact that many of the requesting organizations have temporarily closed as mandated by state, county and local governments.

Letters of Interest				
Agency	Staff Notes	Status & Staff Notes	Funding Allocation	Strategic Plan Focus Area
Grassroots Junior Tennis	LOI MINI GRANT – stage 1 - \$5,000 for low-income children to receive 8 months of tennis lessons with a healthy eating/active living curriculum	LOI sent back for republishing as budget needs to be completed before processing Grassroots has hired a grant writer who will assist with the mini grant application. Most likely the mini grant will be delayed until the next cohort begins in the fall.	District	Healthy Eating/Active Living
El Sol Neighborhood Educational Center	LOI received requesting \$400,000 over a 3-year period to build out their Vida Vibrante Diabetes Management Program. The program utilizes trained Community Health Workers to provide diabetes education, practical disease prevention strategies and to assist participants in the management of their disease.	DHCD previously funded the start up of this program, Vida Vibrante, with a 2-year grant in 2013 for \$314,000. The final report of the grant stated the following about program sustainability: After the initial investment, the project/program is to be financially sustained by (from the grant application): <i>As a pioneer in Promotores de Salud we envision being able to sustain the efforts of</i>		Access to Primary Care & Behavioral Health Care

		<p><i>this program upon completion of funding. Vida Vibrante will be incorporated into El Sol's ongoing community-based health education services. The fund development plan includes targeting both foundation and individual major donors, with the goal of securing \$1,500,000 in additional funding in three (3) years and to diversify the funding portfolio. El Sol has begun conversations with other partners (e.g. Healthy Families America) to take advantage of prevention resources that are included in the Affordable Care Act.</i></p> <p><i>Will the project/program be financially sustained in the manner described above? Explain:</i></p> <p><i>El Sol is in conversations with several local funders and health care systems (Borrego Health) in order to examine the possibility of continued funding also at the State level exploring opportunities in how throughout the ACA can support reimbursement fees for CHWs on Diabetes. El Sol is coordinating a presentation on Diabetes VV</i></p>		
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		<p><i>to the University on New Mexico and waiting on further conversation with CDC on popular education on Diabetes.</i></p> <p><i>The evaluation results from this project will serve as evidence for grant proposals.</i></p> <p>The Grants Team will be scheduling a meeting to discuss the LOI, the 2013 grant's financial sustainability plan, and collaborative opportunities to partner with organizations (Eisenhower Health, Riverside Chronic Diabetes Collaborative, Borrego, Clinicas, VIM, IEHP, Desert Oasis Healthcare, & Kaiser) who offer free diabetes education and management classes.</p> <p>UPDATE: The grants team will be meeting with El Sol on 2/13.</p> <p>The grants team met with the El Sol team and it was determined that the diabetes LOI would be dropped and replaced with Mental Health Community Health Workers introducing the PEARLS program to the Coachella Valley (see below)</p>		
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<p>EI Sol Neighborhood</p>	<p>Concept paper received for \$445,321 over a three-year period to introduce CHW introducing the PEARLS (Program to Encourage Active and Rewarding Lives)</p>	<p>PEARLS is a community-based treatment program designed to reduce depression in physically impaired and socially isolated people.</p> <p>Staff is researching the opportunity for a PEARLS collaboration with the two senior centers (Mizell and Joclyn) who have submitted individual grant requests that indicate similar wellness goals and objectives.</p> <p>June UPDATE: due to the COVID-19 pandemic this collaboration attempt with EI Sol, CHW's and the two senior centers is on hold pending when normal operations resume for all.</p>		<p>Access to Behavioral Health Care services</p>
<p>Mizell Senior Center</p>	<p>LOI received requesting funding of \$163,348 to support the start-up a case management program.</p>	<p>Before launching Stage 2 – the application- staff will be inviting Mizell to a roundtable discussion regarding offering the PEARLS program in the case management program.</p> <p>June UPDATE: due to the COVID-19 pandemic this collaboration attempt with EI Sol, CHW's and the two senior centers is on hold pending when normal operations resume for all.</p>		<p>Access to Primary Care & Behavioral Health Care services</p>
<p>Joslyn Center</p>	<p>LOI received requesting \$124,121 for <u>continued</u> funding support of the agency's Wellness Center</p>	<p>Before launching Stage 2 – the application – staff will be inviting Joclyn to a roundtable discussion in incorporating a</p>		<p>Access to Primary Care & Behavioral Health Care services</p>

	Program and associated programs.	PEARLS track in their Wellness Center programs. June UPDATE: due to the COVID-19 pandemic this collaboration attempt with El Sol, CHW's and the two senior centers is on hold pending when normal operations resume for all.		
Loma Linda University Children's Hospital	LOI received requesting \$519,472 to financially sustain the Pediatric Clinic in Indio - \$400,000 for medical staff and \$119,472 for requisite equipment.	<p>Staff concerns and observations: LLU Indio Clinic does not anticipate revenue stability until year 4 of operation, which will be the result of patient volumes. Patient volumes are at 1,500 annually now but need to reach 18,000 annual visits. Operations show a current \$886,397 annual deficit.</p> <p>Chief Administration Officer's review of the audited financials: The audit looked okay for June 30, 2018. It is concerning the operations of the Indio Clinic show a deficit of almost \$900,000.</p> <p>The LLU SACHS (Social Action Corp Health System) Indio Pediatric Clinic is a Federally Qualified Health Center (FQHC), receiving federal HRSA funding.</p>	District	Access to primary care and behavioral health care

		<p>Next step: Site visit is scheduled for December 9, 2019.</p> <p>Site visit was conducted by Grant Team who met with LLU's fundraising staff, the Division Chief of General Pediatrics, and the Assistant VP of Ambulatory Services. The clinic is underutilized with one full time physician. The Division Chief is actively recruiting for two more pediatricians.</p> <p>The clinic offers general pediatric services, pediatric dentistry and special services. The next goal is to build out the Urgent Care, that, according to LLU, will not be covered under SACHS.</p> <p>DHCD Staff is working on a Pediatric Collaborative concept that could include local pediatric partners, such as, UCR, Borrego, Clinicas, IEHP, VIM (who refers children under 18 to LLU), and the 3 school districts. Staff will introduce the concept to LLU to further determine other funding opportunities.</p> <p>Waiting for the following information from LLU Finance Dept: the clinic's</p>		
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		<p>operating finances; future projections for the clinic; assessment of the clinic's sustainability</p> <p>June update: In March Staff received a revenue & expense report for the Indio clinic; however the time period covered was from 7/1/18 – 6/30/19. Staff asked for a current report as well as a 2nd request for the clinic's future projections and assessment of sustainability. LLU staff member said he follow through. To date: nothing has been received.</p> <p>At the May BOD meeting, DRMC CEO Michelle Finney reported an agreement with LLU Faculty Medical Group was made to assume pediatric hospitalist services beginning July 1, 2020. This will help with access to pediatric facilities and pediatric subspecialists. This agreement will most likely have a positive impact on the Indio clinic as the clinic should see an increase in volume as a result of LLU physicians interacting with</p>		
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		patients/families in the hospital. The LLUH group will also have responsibility for newborns, hence the potential for follow up with a pediatrician at the Indio clinic for outpatient services. (Linda Evans – source)		
Habitat for Humanity	LOI received requesting \$90,000 for support for Housing Insecurity Prevention Program	The LOI has not yet been reviewed by the grants team. However, this program takes a multi-faceted approach to reduce low-income households' housing and financial insecurity risks.	District	Homelessness
Alianza Coachella Valley	LOI received requesting \$50,000 for capacity building support	The DHCD Grants team virtually met with the Alianza team. The organization recently separated from their fiscal sponsor as of 2/1/20. Alianza does not have audited financials. Staff offered, and Alianza accepted, the District's new policy to pay for an organization to have an audit conducted. Alianza is working with outside consultants to build up the capacity of their new nonprofit status. Alianza has withdrawn this application and will submit a mini grant for technology devices. When the audit is completed, it is planned for Alianza to submit another LOI for core operating	District/Foundation	New strategic areas

		support in partnership with the District's 5 new strategic areas.		
EASTERN COACHELLA VALLEY FUNDING OPPORTUNITY REQUESTS: (NTE \$50,000 for core operating support for access to primary healthcare and behavioral health care)	<p>Stage 1 – Letters of Interest received from:</p> <ul style="list-style-type: none"> • ABC Recovery Center - \$50,000 renovation of sober living facilities 	<ul style="list-style-type: none"> • ABC: Grant team met with ABC Recovery on December 4th to discuss the LOI and next steps. ABC Recovery was made aware of the District hold on capital grants. It was suggested that ABC Recovery apply for funding in guidance of integrating their outdated EMR system with others so that outcome studies and quality improvement would be sustained. Stage 2—the application—has been generated and is planned to be presented at the February 2020 Program Committee meeting. <p>JUNE Update: ABC Recovery has submitted their application for support for substance abuse counselors and clinical director.</p>	Foundation	Access to Primary Care and Behavioral Health Care

	<ul style="list-style-type: none"> • Clinicas De Salud Del Pueblo, Inc. - \$50,000 to support Outreach and Education Dept. (peer patient educators and Certified Enrollment Counselors). • Cal State University SB Palm Desert Campus- \$50,000 to support Street Medicine Nursing Students Program 	<p>However, upon review, the application needs more work and is being revised. Expect to be presented at the July Program Committee meeting.</p> <ul style="list-style-type: none"> • JUNE UPDATE:- Stage 2 has been generated and Clinicas anticipates presented the grant application to the Program committee at the July meeting. • This program is currently being fully funded by Caldwell-Weiss Trust, operated through Morgan-Stanley. The request from the Foundation has a start date of 9/1/120. Staff will set up a site visit; however, this request will not be processed until Fiscal Year 20/21 when new Eastern Coachella Valley funds have been allocated in the budget. 		<p>Access to Primary Care and Behavioral Health Care</p> <p>Access to Primary Care and Behavioral Health Care/Homelessness</p>
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		JUNE UPDATE: site visit has been delayed due to COVID-19. A Zoom meeting is scheduled in mid June.		
Pending Applications				
Grantee	Staff Notes	Status		
Dr. Carreon Foundation	\$5,000 mini grant to support matching scholarships to students pursuing a career in healthcare	Mini grant application in process of being executed	District/Foundation	Healthcare workforce
UCR SOM	\$149,976 to support COVID-19 testing for the farm working communities in the Eastern Coachella Valley	This request is on the June 9 th Program Committee agenda for review and consideration of approval.	District	Access to Primary Care and Behavioral Health Care

DESERT HEALTHCARE DISTRICT						
OUTSTANDING GRANTS AND GRANT PAYMENT SCHEDULE						
As of 5/31/20						
TWELVE MONTHS ENDED JUNE 30, 2020						
Grant ID Nos.	Name	Approved Grants - Prior Yrs	Current Yr 2019-2020	6/30/2019 Bal Fwd/New	Total Paid July-June	Open BALANCE
2014-MOU-BOD-11/21/13	Memo of Understanding CVAG CV Link Support	\$ 10,000,000		\$ 10,000,000	\$ -	\$ 10,000,000
2015-876-BOD-6-23-15	Arrowhead Neuroscience Fndtn-NeuroInterventional & NeuroCritical Care Fellowship 2 Yr	\$ 373,540		\$ 37,354	\$ 27,522	\$ 9,832
	Unexpended funds of Grant #876 (\$9,832.32 10% Retention)					\$ (9,832)
2016-927-BOD-12-20-16	SafeHouse of the Desert - "What's Up" Crisis Texting Application - 3 Yr	\$ 679,357		\$ 169,839	\$ 144,945	\$ 24,895
	Unexpended funds Grant #927					\$ (24,895)
2017-938-BOD-07-25-17	Mizell Senior Center - A Matter of Balance Phase 2 - 2 Yr	\$ 400,300		\$ 40,030	\$ 2,077	\$ 37,953
	Unexpended funds of Grant #938 (\$37,953 10% Retention)				\$ -	\$ (37,953)
2018-960-BOD-02-27-18	Desert Cancer Foundation - Patient Assistance and Suzanne Jackson Breast Cancer	\$ 200,000		\$ 20,000	\$ 20,000	\$ -
2018-967-BOD-05-22-18	The City of DHS-Public Safety Emergency Response Program - Purchase AEDs	\$ 30,000		\$ 3,000	\$ 710	\$ 2,290
	Unexpended funds of Grant #967 (\$2,290.34 10% Retention)				\$ -	\$ (2,290)
2018-974-BOD-09-25-18	HARC - 2019 Coachella Valley Community Health Survey - 2 Yr	\$ 399,979		\$ 219,989	\$ 179,990	\$ 39,999
2018-980-BOD-10-23-18	Joslyn Wellness Senior Behavioral Health Services Program - 1 Yr	\$ 112,050		\$ 11,205	\$ 11,205	\$ -
2018-981-BOD-10-23-18	Desert Arc Healthcare Program - 1 Yr	\$ 164,738		\$ 16,474	\$ 16,474	\$ (0)
2018-979-BOD-11-27-18	FIND Food Bank - Healthy Food First/Pathways Out of Hunger - 1 Yr	\$ 396,345		\$ 217,989	\$ 171,513	\$ 46,476
	Unexpended funds Grant #979					\$ (39,633)
	Invoiced Grantee for over payment					\$ (6,843)
2019-985-BOD-03-26-19	Coachella Valley Volunteers in Medicine - Primary Healthcare & Support Services - 1 Yr	\$ 121,500		\$ 66,825	\$ 54,675	\$ 12,150
2019-986-BOD-05-28-19	Ronald McDonald House Charities - Temporary Housing & Family Support Services - 1 Yr	\$ 200,000		\$ 200,000	\$ 180,000	\$ 20,000
2019-997-BOD-05-28-19	Martha's Village & Kitchen - Homeless Housing With Wrap Around Services - 1 Yr	\$ 200,896		\$ 110,493	\$ 90,403	\$ 20,090
2019-989-BOD-05-28-19	Pegasus Riding Academy - Cover the Hard Costs of Pegasus Clients - 1 Yr	\$ 109,534		\$ 60,244	\$ 49,290	\$ 10,954
2019-994-BOD-05-28-19	One Future Coachella Valley - Mental Health College & Career Pathway Development - 2 Yr	\$ 700,000		\$ 621,250	\$ 236,250	\$ 385,000
2019-995-BOD-05-28-19	One Future Coachella Valley - HCC Summer Intern at DHCD/F & FIND Food Bank	\$ 14,628		\$ 1,463	\$ 1,463	\$ -
2019-1000-BOD-05-28-19	Voices for Children - Court Appointed Special Advocate Program - 1 Yr	\$ 24,000		\$ 13,200	\$ 10,800	\$ 2,400
2019-1006-BOD-06-25-19	Desert Healthcare Foundation - Homelessness Initiative Collective Fund	\$ 1,000,000		\$ 1,000,000	\$ 1,000,000	\$ -
2019-1017-BOD-09-24-19	Jewish Family Services - Case Management Services for Homeless Prevention - 1 Yr		\$ 90,000	\$ 90,000	\$ 81,000	\$ 9,000
2019-1025-BOD-09-24-19	Desert Healthcare Foundation - Ready Set Swim - 1 Yr		\$ 200,000	\$ 200,000	\$ 200,000	\$ -
2019-1023-BOD-10-22-19	CVRM - Transportation for Seniors & Homeless Hospital Discharge Referrals - 1 Yr		\$ 216,200	\$ 216,200	\$ 97,290	\$ 118,910
2019-1021-BOD-11-26-19	Neuro Vitality Center - Community Based Adult Services Program - 6 Months		\$ 143,787	\$ 143,787	\$ 64,704	\$ 79,083
2020-1045-BOD-03-24-20	FIND Food Bank - Ending Hunger Today, Tomorrow, and for a Lifetime - 1 Yr		\$ 401,380	\$ 401,380	\$ 90,311	\$ 311,069
2020-1080-BOD-03-24-20	Lift To Rise - Coachella Valley Economic Protection Plan and Support Fund		\$ 100,000	\$ 100,000	\$ 100,000	\$ -
2020-1063-BOD-03-24-20	AIDS Assistance Program - Food Voucher Program		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1072-BOD-03-24-20	Cathedral Center - CCSC Operating Funding to Continue Essential Services		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1066-BOD-03-24-20	Hope Through Housing Foundation - COVID-19 Emergency Response & Resilience Fund		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1078-BOD-03-24-20	Mizell Senior Center - Meals On Wheels Program - 3 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1077-BOD-03-24-20	Cove Communities Senior Association - Joslyn Center Nutrition Programs - 3 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1065-BOD-03-24-20	Well in the Desert - Saving Lives - 3 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1095-BOD-03-24-20	Desert Arc - COVID-19 Enclave Employment Essential Workers - 2 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1101-BOD-03-24-20	United Cerebral Palsy Of The Inland Empire - Essential In-Home Respite Care - 2 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1104-BOD-03-24-20	Alianza Coachella Valley - COVID-19 Emergency Relief - 2 Months		\$ 10,000	\$ 10,000	\$ 10,000	\$ -
2020-1113-BOD-03-24-20	Hanson House Foundation, Inc. - COVID-19 Response - 2 Months		\$ 5,000	\$ 5,000	\$ 5,000	\$ -
2020-1121-BOD-03-24-20	Family Services Of The Desert, Inc. - Emergency Food Assistance - 2 Months		\$ 5,000	\$ 5,000	\$ 5,000	\$ -
2020-1086-BOD-04-03-20	Borrego Community Health Foundation - To purchase COVID-19 Virus Pandemic Test Kits		\$ 350,000	\$ 350,000	\$ 350,000	\$ -
2020-1081-BOD-04-13-20	Clinicas De Salud Del Pueblo - COVID-19 Support - 9 Months		\$ 150,000	\$ 150,000	\$ 150,000	\$ -
2020-1083-BOD-04-13-20	Desert AIDS Project - COVID-19 Triage Clinic - 9 Months		\$ 150,000	\$ 150,000	\$ 150,000	\$ -
2020-1084-BOD-04-13-20	Borrego Community Health Foundation - Response to COVID-19 - 9 Months		\$ 150,000	\$ 150,000	\$ 150,000	\$ -
2020-1080-BOD-05-26-20 EXT	Lift To Rise - Coachella Valley Economic Protection Plan and Support Fund Extension		\$ 500,000	\$ 500,000	\$ -	\$ 500,000
2020-XXXX-BOD-05-26-20	Grantmakers Concerned With Immigrants and Refugees Support of CV Residents		\$ 150,000	\$ 150,000	\$ -	\$ 150,000
2020-XXXX-BOD-05-26-20	Coachella Valley Volunteers In Medicine - Response to COVID-19		\$ 150,000	\$ 150,000	\$ -	\$ 150,000
2020-1085-BOD-05-26-20	Olive Crest Treatment Center - General Support for Mental Health Services		\$ 50,000	\$ 50,000	\$ -	\$ 50,000
2020-1057-BOD-05-26-20	Desert Cancer Foundation - Patient Assistance Program		\$ 150,000	\$ 150,000	\$ -	\$ 150,000
				\$ -	\$ -	\$ -
TOTAL GRANTS		\$ 15,126,867	\$ 3,051,367	\$ 15,860,722	\$ 3,730,621	\$ 12,008,655
Amts available/remaining for Grant/Programs - FY 2019-20:						
Amount budgeted 2019-2020			\$ 3,500,000		G/L Balance:	5/31/2020
Amount granted through June 30, 2020:			\$ (3,051,367)		2131	\$ 6,608,655
Mini Grants:	1009; 1015; 1019; 1016; 1039; 1031; 1051		\$ (32,508)		2281	\$ 5,400,000
Net adj - Grants not used:	967; 876; 938; 979; 927		\$ 121,446		Total	\$ 12,008,655
Matching external grant contributions			\$ 50,000		Difference - Rdg	\$ 0
Balance available for Grants/Programs			\$ 587,571			



Date: June 23, 2020

To: Board of Directors

Subject: Grant # 1124 Regents Of The University Of California At Riverside

Grant Request:

COVID-19 Testing for Farm working Communities in the Eastern Coachella Valley

Amount Requested: \$149,976.00

Project Period: 6/15/2020 to 10/31/2020

Project Description and Use of District Funds:

This project proposes to reduce the spread of the coronavirus in the eastern Coachella Valley. Ann Cheney, PhD, UCR faculty in the Department of Social Medicine Population and Public Health and director of GH@H, along with Marc Debay, MD, MPH, PhD, director of the UCR Palm Springs Family Residency Program will lead this project with assistance from a bilingual UCR graduate student. The project duration is five months and focuses on the: 1) implementation of pop-up Covid-19 testing sites and contact tracing, 2) dissemination of public health information, and 3) assessment of the coronavirus spread. The project provides education and training opportunities for UCR medical students and pre-health undergraduate students. We anticipate conducting 5,000 tests over 16 weeks, approximately 50-60 tests per day and disseminate public health material to approximate 15,000 District residents. A team of Community Health Workers (promotoras) and two fourth year medical students accompanied by a UCR clinical faculty member or resident will conduct testing. Dr. Debay will serve as supervising physician and will provide oversight to the teams of medical students, residents, providers, and promotoras conducting the coronavirus testing. Riverside County has committed to providing testing kits and analyses at no cost to patients to whom we refer to a new testing center in Cathedral City. Bilingual second year medical students will assist with contact tracing, conduct interviews with farm workers accessing testing sites, and evaluate ongoing public health dissemination efforts. Bilingual undergraduate students will develop and assist with public health dissemination efforts.

Strategic Plan Alignment: Primary Care and Behavioral Health Access

Geographic Area(s) Served: Mecca; North Shore; Oasis; Thermal



Action by Program Committee: (Please select one)

- ✓ Full recommendation and forward to the Board for consideration with the Committee's recommendation that a grant amount of \$149,976.00 be approved.

Recommendation with modifications

Deny

2020 Grant Request Summary

Regents Of The University Of California At Riverside, Grant #1124

About the Organization

Regents Of The University Of California At Riverside
 900 University Ave
 Riverside, CA 92521
 Tel: 951-827-4588
<http://https://medschool.ucr.edu/>

Organization Type:

Education\College/University

Primary Contact:

Lucero Vaca
 Tel: (951) 715-2710
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Historical (approved Requests)

Grant Year	Project Title	Grant Amount	Type	Disposition Date	Fund
2011	A Partnership with Desert Healthcare District to Advance Health Care Access and Outcomes	\$3,584,983	Achievement Building	9/27/2011	Grant budget
2015	Mitigating the Health Effects of Mass Incarceration in the Desert Highland Gateway Community	\$900	Mini-Grant	3/8/2016	Grant budget
2016	UCR Care Street Medicine Clinic	\$70,899	Grant	9/27/2016	Grant budget

Proposal

Project Title:

COVID-19 Testing for Farm working Communities in the Eastern Coachella Valley

Total Project Budget: \$149,976

Requested Amount: \$149,976

Length of Project: 5 months

Start Date: 6/15/2020

End Date: 10/31/2020

Background:

The proposed work builds on our current efforts through Global Health at Home (GH@H), a network of medical students, residents, healthcare providers, and community health workers

(promotoras) who provide free healthcare and resources to Latino immigrants, with a focus on farmworkers, in the Oasis Trailer Park in Thermal—an area greatly affected by Covid-19. Since the outbreak, GH@H has developed Covid-19 material in Spanish and Purépecha (the primarily languages of our patient population) about its spread, prevention, and what to do in the event of contracting the virus. GH@H has also assisted with Covid-19 testing sites in Mecca and Oasis.

Community Health Focus Area

Primary Care and Behavioral Health Access

Community Need:

This project proposes to reduce the spread of the coronavirus in the eastern Coachella Valley. We will create an infrastructure for routine testing for farmworkers and their contacts in the eastern valley, disseminate health education material, and evaluate project activities. Our specific aims are to: 1) disseminate public health education about Covid-19 to farmworkers and broadly throughout farm-working communities, 2) establish routine testing for farm workers and contract tracing, and 3) evaluate the impact of dissemination efforts, testing, and contact tracing on the spread of the coronavirus among the farm-working population in the eastern valley. Ann Cheney, PhD, UCR faculty in the Department of Social Medicine Population and Public Health and director of GH@H, and Marc Debay, MD, MPH, PhD, director of the UCR Palm Springs Family Residency Program will lead this project with assistance from a bilingual UCR graduate student. The project duration is five months and includes three primary phases: 1) public health dissemination, 2) Covid-19 testing and contact tracing, and 3) evaluation. The project provides education and training opportunities for UCR medical students and pre-health undergraduate students. We anticipate conducting 5,000 tests over 16 weeks, approximately 50-60 tests per day and disseminate public health material to approximate 15,000 District residents. A team of Community Health Workers (promotoras) and two fourth year medical students accompanied by a UCR clinical faculty member or resident will conduct testing. Riverside County has committed to providing testing kits and analyses at no cost for farmworkers in the eastern valley to whom we refer to a new testing center in Cathedral City. Bilingual medical students will evaluate ongoing public health dissemination efforts, conduct interviews with farm workers accessing testing sites, and communicate with county public health on contract tracing. Bilingual undergraduate students will develop and assist with public health dissemination efforts.

Riverside county has the second highest number of coronavirus cases and deaths in the state. In inland southern California's eastern Coachella Valley, specifically Thermal, a community populated by Latino farmworkers, the infection rate is 5 times higher than any other part of the valley. This area is one of the most impoverished areas of California and is home to an un- or underinsured Latino immigrant farm-working population. To keep this essential workforce healthy and protect the American food supply, it is critical to increase access to Covid-19 testing. To address this community need, our proposed project is guided by three goals: 1) establish and implement routine testing for farm workers and contract tracing, 2) disseminate public health material about Covid-19 to farmworkers and broadly throughout farm-working communities, and 3) reduce the spread of the coronavirus in the eastern valley. The community need and proposed goals align with the District's strategic plan of increasing access to primary care for Coachella Valley residents. Latino farmworkers and their families in the eastern valley desperately need access to Covid-19 testing, contact tracing, and public health information. They also need such services and information in Spanish and Purépecha. As such, the leadership team will select bilingual Spanish and English medical and pre-health students as well as promotoras who are bilingual Spanish and Purépecha to be involved in outreach and testing. Furthermore, the proposed work employs a community driven approach that recognizes the role of stakeholders in addressing the spread of the virus. An advisory board of 12 individuals, with representation from agrobusiness (growers, contractors), promotoras, healthcare providers, and public health practitioners, will meet virtually on a monthly basis to oversee the proposed aims, identify additional resources, and assess the testing program.

Program Area

Direct Services

Project Description:

This project proposes to reduce the spread of the coronavirus in the eastern Coachella Valley. Ann Cheney, PhD, UCR faculty in the Department of Social Medicine Population and Public Health and director of GH@H, along with Marc Debay, MD, MPH, PhD, director of the UCR Palm Springs Family Residency Program will lead this project with assistance from a bilingual UCR graduate student. The project duration is five months and focuses on the: 1) implementation of pop-up Covid-19 testing sites and contact tracing, 2) dissemination of public health information, and 3) assessment of the coronavirus spread. The project provides education and training opportunities for UCR medical students and pre-health undergraduate students. We anticipate conducting 5,000 tests over 16 weeks, approximately 50-60 tests per day and disseminate public health material to approximate 15,000 District residents. A team of Community Health Workers (promotoras) and two fourth year medical students accompanied by a UCR clinical faculty member or resident will conduct testing. Dr. Debay will serve as supervising physician and will provide oversight to the teams of medical students, residents, providers, and promotoras conducting the coronavirus testing. Riverside County has committed to providing testing kits and analyses at no cost to patients to whom we refer to a new testing center in Cathedral City. Bilingual second year medical students will assist with contact tracing, conduct interviews with farm workers accessing testing sites, and evaluate ongoing public health dissemination efforts. Bilingual undergraduate students will develop and assist with public health dissemination efforts.

Proposed Program / Project Evaluation Plan

A team of medical students, supervised by Dr. Cheney, will conduct a mixed-methods evaluation of the testing and contact tracing and public health dissemination activity on the spread of the coronavirus among farm-working communities in the eastern valley. The students will work directly with county public health to identify baseline data on cases, deaths, and new infections, and will monitor changes over time in the eastern valley. Additionally, we will use qualitative methods to obtain baseline and ongoing information on the needs of farmworkers in the eastern valley during the pandemic. We will use the existing survey, the Coronavirus Farmworker Survey, created by Growing Coachella Valley, which asks about financial stability, healthcare services use, and working conditions in the context of Covid-19. Our sample will include approximately 150 farmworkers. Data will be collected over the first 12 weeks of the project. Analyses will be ongoing and conducted after the completion of 50, 75, 100, and 150 surveys to continuously assess community needs. Final analyses will be conducted after the completion of 150 surveys. The data will be analyzed using descriptive statistics and bivariate and multivariate analyses and findings will inform ongoing outreach, testing, and public health efforts. We will use qualitative methods to assess the impact of testing and contact tracing on the health and wellbeing of farmworkers, their families, and their communities. Qualitative interviews will provide rich insight into lived experiences and nuances in utilization of Covid-19 testing sites. Last, we will evaluate the reach of public health material via basic descriptive statistics collected over the 4 months of dissemination. We will use the findings from both quantitative and qualitative data collection and analysis to write a final report documenting the impact of project activity on the spread of the coronavirus in the eastern valley in farm-working communities.

Program/Project Goals and Evaluation

Goal #1: Goal #1 is to establish and implement routine testing for farm workers and contract tracing. Tests will be conducted with	Evaluation #1: To evaluate Goal #1, we will assess the impact of routine testing and contact tracing on farmworkers' health outcomes and
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<p>farmworkers in the eastern Coachella Valley in Riverside County. The County will provide all testing kits and conduct analyses at no cost granted that we refer patients to a new testing center in Cathedral City. Given the distance between the eastern valley and Cathedral City, County has agreed for us to pick up the kits in Cathedral City, collect the specimens in the community, and bring them back to the County testing site along with accompanying demographic and contact information. A team of promotoras and medical students accompanied by a UCR clinical faculty member or resident will conduct the tests. The leadership team will work with the advisory board members to identify testing sites and will collaborate with growers and contractors to set up testing clinics at sites of employment. We anticipate conducting 5,000 tests over 16 weeks, which approximates 50-60 tests per day. The promotoras will assist with engaging the farmworkers in testing, as well as fill out the necessary documentation and hand out public health material. The medical students and volunteer healthcare provider will conduct the testing and will return the specimens to the Cathedral testing site at the end of each day. Dr. Debay will serve as supervising physician and will be on call to answer any questions or address concerns. Medical students will work with county to contact patients to communicate test results and assist with contact tracing based on test results.</p>	<p>access to healthcare services, resources, and basic needs. Medical students will conduct phone interviews with 40 farmworkers who utilized the testing services and agreed to participate in one-on-one interviews. The purpose of the interviews will be to assess the impact of the testing on their health and wellbeing and identify any needed resources or services. Interviewers will also inquire about community perceptions of the virus, it's spread, and the perceived impact of the testing sites on community needs and health. Participants will be provided with \$15 for their time. Interviews will be approximately 30 to 45 minutes; they will be audio recorded, transcribed using transcription services, and analyzed using rapid qualitative coding techniques. Themes will be identified, which will inform continued outreach efforts, new testing sites, and development of public health material.</p>
<p>Goal #2: Goal #2 is to disseminate public health education about Covid-19 to farmworkers and broadly throughout farm-working communities. We will begin to disseminate Covid-19 public health information at testing sites, followed by handouts on pay day, and door-to-door delivery in farm-working communities. Already GH@H has developed pamphlets in Spanish and Purépecha on how to prevent the spread of the coronavirus and what to do in the event of testing positive. Additionally, Growing Coachella Valley, a collaborator on this project, developed material in Spanish and English that provides a hotline for farmworkers and information on how to prevent spread of the virus. We will translate this material to Purépecha. We will also use social media to disseminate health information, including our Facebook page @ Unidoporsalud. Two bilingual pre-health student interns will develop and disseminate the material. They will work closely with the promotoras to ensure the</p>	<p>Evaluation #2: To evaluate Goal #2, we will assess the reach of Covid-19 public health information using basic descriptive statistics collected throughout the award period. Specifically, we will count the total number of flyers given to patients at testing sites and shared with community members. Promotoras will keep a tally of the number of pamphlets distributed to patients at clinics as well as any material disseminated in the community. For social media, undergraduate students leading the social media outreach will provide monthly brief reports on Facebook and Instagram traffic, including new Facebook and Instagram followers and likes, comments, and sharing of Covid-19 related posts or material. We will also keep tally of any radio or news interviews. The coronavirus survey data will be analyzed using descriptive statistics and bivariate and multivariate analyses. Through the UCR SOM we will have support of a biostatistician who can</p>

<p>material is in the correct language and accessible to the community. Dissemination efforts will begin at the start of the project period and continue until the end of the award. We anticipate printing 12,000 hard copies of flyers that will be disseminated via in-person distribution at the fields and in communities in the eastern valley (Thermal, Mecca, North Shore, and Oasis). Approximately 75 posts with Covid-19 information will be shared via social media. As previously indicated, we will administer the existing Coronavirus Farmworker Survey created by Growing Coachella Valley to assess farmworkers' financial stability, healthcare services use, and working conditions in the context of Covid-19. Approximately 150 surveys will be administered using Qualtrics (a survey platform) on smart phones at testing sites. The responses will inform ongoing outreach, services and resource identification, and public health information sharing.</p>	<p>assist with more complex data analysis. Analyses will focus on farmworkers' needs and resources during Covid-19 and will identify factors that might place some farmworkers at more risk for contracting or spreading the virus and identify solutions to mitigate risk. The findings will inform public health dissemination efforts.</p>
<p>Goal #3: Goal #3 is to reduce the spread of the coronavirus among the farm-working population in the eastern valley. We will do this by providing Covid-19 testing in places of employment, specifically agricultural fields and packing houses. We will work closely with Growing Coachella Valley and other members of the advisory board to identify growers and contractors with whom we can partner to set up testing sites. Based on conversations with growers, we anticipate testing will take place in the early morning or late afternoon to accommodate farmworkers and their employers. Once a testing location has been established and permission has been granted to set up a "pop-up" testing clinic (i.e., will be set up and taken down in the same day), we will organize and instruct the team of medical students, promotoras, and healthcare provider so they can successfully carry out testing. In addition to onsite testing clinics at places of employment, we will also hold testing clinics in communities in the eastern valley such as the Oasis Trailer Park. This trailer park is home to over 200 families. Similar to most trailer parks in the eastern valley, the majority of its residents work in the fields. Thus its critical to stop the spread from community to the fields and from the fields to the community. We will conduct testing over 16 weeks and evaluation of testing efforts will be ongoing. We will work directly with county public health to identify baseline data on Covid-19</p>	<p>Evaluation #3: To evaluate Goal #3, we will work with Riverside County public health officials to identify baseline data on cases, deaths, and new infections. Throughout the course of testing and contact tracing, we will monitor changes on a weekly basis using the Riverside County Covid-19 Cases webpage that is updated daily Monday to Friday. This effort will be led by medical students. Dr. Cheney will supervise the students and oversee data analysis and development of reports. Medical students will use a template to systematically track the number of those tested, confirmed, currently hospitalized, deaths, and recovered in Riverside County. They will work with County to obtain specific information for the aforementioned categories for communities in the eastern valley (Mecca, Thermal, Oasis, North Shore). Statistical methods will be used to show changes over time. We anticipate that during the project period the number of individuals tested will increase and there will be decreases in hospitalizations and deaths. These data will be summarized and included in a final report.</p>

cases, deaths, and new infections, and will monitor changes over time in the eastern valley.	
Goal #4:	Evaluation #4:
Goal #5:	Evaluation #5:

Participants:

Population Served

Adults (25-64 years old);Children (6-17 years old);Seniors (65+ years old)

Geographical Area Served

Mecca;North Shore;Oasis;Thermal

Age Group

- (0-5) Infants
- (06-17) Children
- (18-24) Youth
- (25-64) Adults
- (65+) Seniors

Number Served Per Age Group

- 0-5:** 500
- 6-17:** 2,500
- 18-24:** 6,000
- 25-64:** 8,000
- 65 or more:** 5,000
- Total:**

Participant Community

Latino farmworkers employed by growers and contractors in the eastern Coachella Valley will benefit most from the proposed work. The work will specifically focus on farmworkers and the communities and families within which they live and work in the eastern valley, including the unincorporated communities of Thermal, North Shore, Mecca, and Oasis. A significant portion of this population is foreign-born, Latino, and mono-lingual Spanish speaking. This area is also home to the largest community of Purépecha, an indigenous population from the Mexican state of Michoacán. Thus, Latino immigrants, farmworkers, and indigenous Mexicans will benefit most from project activity.

Organizational Capacity and Sustainability

Organizational Capacity

This project will be led by Drs. Cheney and Debay with institutional support from the UCR School of Medicine. Dr. Cheney has a Ph.D. in anthropology and conducts community engaged health services research with a focus on Latino health and access to care in underserved communities. She is faculty in the UCR SOM Department of Social Medicine Population and Public Health. Dr. Cheney has collaborated with farm-working communities in the eastern Coachella Valley for over four years and has strong collaborations with grassroots community leaders, promotoras, and community-based organizations. She is director of HABLAMoS, a 4-year medical Spanish language program, and Global Health at Home through which she supervises a team of medical students, promotoras, and volunteer healthcare providers in the delivery of healthcare services and public health information to Latino farmworkers via the Coachella Valley Free Clinic. Dr. Debay holds his MD, MPH, PhD in public health. He is associate clinical faculty in family medicine in the UCR SOM and director of the UCR Palm Springs Residency Program. He will serve as the Supervising Physician. Dr. Debay has

collaborated with Dr. Cheney on the Coachella Valley Free Clinic and has supervised residents providing care to the clinic's patient population.

Organizational Sustainability:

The mission for the UCR School of Medicine is to "improve the health of the people of California and, especially, to serve Inland Southern California by training a diverse workforce of physicians and by developing innovative research and health care delivery programs that will improve the health of the medically underserved in the region and become models to be emulated throughout the state and nation." The proposed project directly aligns with the school's mission and strategic plan. First, this project will provide Covid-19 to a medically underserved population, specifically foreign-born Latinos living in poverty with limited access to healthcare services. Second, the project creates opportunities for second and fourth year medical students to engage in patient care through Covid-19 testing and public health outreach and evaluation through the assessment of project activity on the spread of Covid-19 in the eastern valley. Furthermore, the project aligns with the new National Institutes of Health center on health disparities research, HDR@UCR, that was established in 2019 to promote community-engaged research and serve as a pipeline for underrepresented medical students, residents, and faculty to enter into medicine, health disparities research, and the field of public health. Dr. Cheney is faculty in the center.

Partnerships:

Key Partners:

The proposed project is a collaborative effort among faculty in the UCR School of Medicine Department of Social Medicine Population and Public Health where Dr. Cheney's holds her faculty position and the UCR Palm Springs Residency Program where Dr. Debay supervises residents. The proposed work will be carried out in collaboration with Riverside County Department of Public Health and Growing Coachella Valley. Riverside County has committed to providing personal protective equipment (PPE), testing kits, analyzing tests, and contact tracing throughout the award period. They have also agreed to provide training to residents and volunteer providers on use of PPE and the proper and safe way to test for coronavirus. Furthermore, as indicated in her letter of support, executive director Janell Percy has already committed time and resources to this project through the sharing of public health information and providing access to the Coronavirus Farmworker Survey. Her organization will support the project and offer guidance throughout the award period.

Line Item Budget

Operational Costs

PROGRAM OPERATIONS		Total Program/Project Budget	Funds from Other Sources <i>Detail on sheet 3</i>	Amount Requested from DHCD
Total Staffing Costs <i>Detail on sheet 2</i>		84020		84020
Equipment (itemize)				
1				0
2				0
3				0
4				0
Supplies (itemize)				
1	canopy tents	800		800
2	folding chairs	400		400
3	medical supplies	875		875
4				0
Printing/Duplication		6000		6000
Mailing/Postage		0		0
Travel/Mileage		4359		4359
Education/Training		13760		13760
Office/Rent/Mortgage		0		0
Telephone/Fax/Internet		0		0
Utilities		0		0
Insurance		0		0
Other facility costs not described above (itemize)				
1	Lodging for medical students	12000		12000
2	Food stipend for medical students	5200		5200
3				0
4				0
Other program costs not described above (itemize)				
1	Participant incentives	600		600
2	Transcription costs	2400		2400
3	Indirect costs, 15%	19562		19562
4				0
Total Program Budget		149976	0	149976
Budget Narrative	Supplies: We budgeted \$2,075 for supplies. \$875 will be to purchase items such as hand sanitizer and other medical supplies and items needed to safely carry out testing. \$800 will be to purchase canopy tents and \$400 for folding chairs for the pop-up testing sites.			
	Printing: We request \$6,000 for the printing of public health material to disseminate to farmworkers and communities in the eastern Coachella Valley. Estimates are based on recent printing costs of \$0.50 per flyer and printing of about 12,000 flyers.			
	Mileage: We are requesting a total of \$21,599 in travel funds. These will be used to cover mileage reimbursement and lodging for medical students conducting the testing in the eastern Coachella Valley. Mileage is reimbursed at a rate of \$0.575 per mile. We estimate an average of 170 miles (roundtrip) from UCR to the eastern valley, approximately 16 trips; 84 miles roundtrip from Palm Springs to the eastern valley, approximately 10 trips; and 40 miles roundtrip from Indio to Mecca for testing, approximately 100 trips. We also included the cost for students to stay in the valley for the 4 months during which testing will be conducted, which includes lodging and food.			
	Education and Training: We are requesting \$13,760 for education and training of bilingual UCR medical and undergraduate students. A total of 4 bilingual UCR medical students will participate in an externship focused on evaluation of the COVID-19 testing and contact tracing. The externship will be from June to August 2020 and students will work with Riverside County Public Health to monitor coronavirus data, assist with contact tracing, conduct phone interviews, and provide data reports. Each student will receive \$2,000. Additionally, 2 bilingual undergraduate students, TBN, will assist with public health dissemination. They will design and create public health material, share material with the network of promotoras, and publish information and resources via social media. Two students will work for 10 hours per week over 16 weeks. (2 people x 10 hours / week at \$18 / hour over 16 weeks = \$5,760)			
	Lodging and food stipend: We request a total of \$17,200 for lodging and food stipends for 8 fourth year medical students to live in the eastern valley for 4 weeks to participate in the Covid-19 testing sites. This includes monies for a pair of two students will live in the valley for 4 weeks at a time. (\$100 / night x 30 days x \$100 / day x 4 months= \$12,000), as well as a food stipend for each medical student (\$650 x 8= \$5,200).			
	Participant Incentives: We request funds for incentives for participants involved in the one-on-one phone interviews. Participants will receive \$15 for their time. (40 participants x \$15= \$600)			
	Transcription Fees: We request \$2,400 to cover the cost of transcription services for transcribing the one-on-one interviews. (40 interviews x 30 minutes x \$2.00 / minute = \$2,400).			
	Indirect Costs: Per Desert Healthcare District & Foundation's guideline, indirect cost not to exceed 15%. Hence, we are requesting 15%.			

Line Item Budget Staffing Costs

Staff Salaries		Annual Salary	% of Time Allocated to Program	Actual Program Salary	Amount of Salary Paid by DHCD Grant
Employee Position/Title					
1	Dr. Ann Cheney	136,700	20	15220	15220
2	Dr. Marc Debay	225000	5%	6263	6263
3	TBN, Graduate Student Researcher	57120	100	14537	14537
4					
5					
6					
7					
8					
Total Employee Benefits					
Enter this amount in Section 1; Staffing Costs				Total	36020
Budget Narrative	<p style="color: red;">Ann M. Cheney, PhD, will serve as Project Director on the project. Dr. Cheney is faculty in the University of California Riverside (UCR) School of Medicine. She will be responsible for the oversight of the proposed work, including the budget, regulatory requirements, data collection and analysis, staff supervision, and deliverables. Dr. Cheney will devote 20% effort to the project over 5 months. Marc Debay, MD, MPH, PhD, will serve as the Supervising Physician. Dr. Debay is director of the UCR Palm Springs Residency Program. He will be responsible for overseeing the teams of students, residents, and promotoras who conduct the coronavirus testing. Dr. Debay will devote 5% effort to the project over 5 months. Bilingual UCR graduate students, To Be Named (TBN), will serve as graduate student research assistant (GSR). The GSR will assist in carrying out the proposed activities and communicate with team members and students. The GSRs will devote 100% effort over 3 months to the project.</p>				
Budget Narrative	<p style="color: red;">Employee benefits are estimates, using the composite rates agreed upon by the University of California. Drs. Cheney's and Debay's benefit rate is 33.6%; GSR's benefit rate is estimated at 1.8%. An additional 8%-9% for vacation accrual is accessed based on the respective employee groups and is included in the rates listed above.</p>				
Professional Services / Consultants		Hourly Rate	Hours/Week	Monthly Fee	Fees Paid by DHCD Grant
Company and Staff Title					
1	TBN, Community Health Worker	25	30	3000	12000
2	TBN, Community Health Worker	25	30	3000	12000
3	TBN, Community Health Worker	25	30	3000	12000
4	TBN, Community Health Worker	25	30	3000	12000
5					
Enter this amount in Section 1; Staffing Costs				Total	48000
Budget Narrative	<p style="color: red;">Consultants: We request \$48,000 to pay promotoras for 30 hours of work per week or 16 weeks to assist in public health dissemination and covid-19 testing. (4 promotoras x 30 hours x \$25 / hour x 16 weeks)</p>				

Line Item Budget Other Program Funds

Other funding received (actual or projected) SPECIFIC to this program/project		Amount
Fees		
Donations		
Grants (List Organizations)		
	1	
	2	
	3	
	4	
Fundraising (describe nature of fundraiser)		
	1	
	2	
Other Income, e.g., bequests, membership dues, in-kind services, investment income, fees from other agencies, etc. (Itemize)		
	1	
	2	
	3	
	4	
Total funding in addition to DHCD request		0
Budget Narrative	Describe program/project income listed above. Note whether income is "projected" or actual.	

Grant Scoring Review

Reviewer: Donna Craig

Executive Summary: 10

Need and Alignment: 10

Goals: 10

Evaluation: 10

Organizational Capacity: 10

Organizational Sustainability: 10

Budget: 8

Percent of Funding Requested: 6

Fiduciary Compliance: 10

Financial Stability: 10

Key Partners/Collaborations: 9

Total Score: 103.00

Reviewer Comments: This project of COVID-19 testing is an important component of the overall testing of the virus of all residents of the Coachella Valley. Farmworkers are integral and essential to the health of the economy as well as to the safety of the produce they are handling and packing. I am a little disappointed that the growers themselves have not financially contributed to this project. However, perhaps the growers are contributing in-kind resources instead. Overall, a well-thought out research project with a tightly controlled evaluation piece. The final report and data analysis will be very beneficial for current and future evaluation on the life of a pandemic.

Response Notes:

Average Review Score: Staff Review Stage: 100.333333333333333333333333333333 (3 of 3)

Sum of all Reviews: Staff Review Stage: 301 (3 of 3)

Grant Scoring Review

Reviewer: Alejandro Espinoza

Executive Summary: 9

Need and Alignment: 9

Goals: 9

Evaluation: 8

Organizational Capacity: 9

Organizational Sustainability: 10

Budget: 8

Percent of Funding Requested: 9

Fiduciary Compliance: 9

Financial Stability: 9

Key Partners/Collaborations: 10

Total Score: 99.00

Reviewer Comments: The farmworker communities of the Eastern Coachella Valley have seen the highest increase of COVID-19 related cases in the whole Coachella Valley. This is primarily due to a lack of access to testing and linguistically-appropriate health education materials and information. This proposal submitted by UCR will bring much-needed COVID-19 testing and educational information to the fields and packing houses, thus eliminating the access barrier.

Response Notes:

Average Review Score: Staff Review Stage: 100.333333333333333333333333333333 (3 of 3)

Sum of all Reviews: Staff Review Stage: 301 (3 of 3)

Grant Scoring Review

Reviewer: Meghan Kane

Executive Summary: 9

Need and Alignment: 9

Goals: 9

Evaluation: 10

Organizational Capacity: 10

Organizational Sustainability: 9

Budget: 9

Percent of Funding Requested: 5

Fiduciary Compliance: 10

Financial Stability: 10

Key Partners/Collaborations: 9

Total Score: 99.00

Reviewer Comments: The proposed project with the University of California – Riverside partners and utilizes an established and growing collaborative through Global Health at Home to provide health information and medical care to vulnerable, hard to reach populations. The COVID-19 material and health screenings are targeted and adapted to meet the needs of the farmworker community in eastern Coachella Valley. Partnering with UCR and supporting the work of their trusted network of providers and promotoras, the District will have a new opportunity to reach and learn from a population that is newer to the District boundaries. I recommend this grant request for approval as it directly relates to our mission to achieve optimal health for all district residents and addresses an immediate need during the current public health crisis.

Response Notes:

Average Review Score: Staff Review Stage: 100.333333333333333333333333333333 (3 of 3)

Sum of all Reviews: Staff Review Stage: 301 (3 of 3)



Grant Application Scoring Rubric

Category	Exceeds expectations <i>(7-10 points)</i>	Meets expectations <i>(3-6 points)</i>	Does not meet expectations <i>(0-2 points)</i>
Executive Summary (10 points)	The applicant includes and effectively describes the project’s mission and vision, the specific population the project will serve, the expected benefits to the community, the support for applicant’s project in the community with evidence based proposed methods, approaches and strategies are realistic, reasonable, effective, outcome-oriented.	The applicant includes and describes the project’s mission and vision, the population the project will serve, the expected benefits to the community, the support for applicant’s project in the community with evidence based proposed methods, approaches and strategies are realistic, reasonable, effective, outcome-oriented.	The applicant is unclear or does not include or describe the project’s mission and vision, the general population the project will serve, the expected benefits to the community, the support for applicant’s project in the community with proposed methods, approaches and strategies are realistic, reasonable, effective, outcome-oriented.
Need & Alignment and Demonstrate (10 points)	The applicant explicitly defines a specific need for the project within the identified community and effectively describes the alignment of that need to one of the Community Focus Areas of the District/Foundation’s Strategic Plan by using data, case studies, interviews, focus group results, media attention, etc.	The applicant identifies a need within the identified community for the project and describes the alignment of that need to one of the Community Focus Areas of the District/Foundation’s Strategic Plan by using data, case studies, interviews, focus group results, media attention, etc.	The applicant does not clearly describe a need for the project that its alignment to one of the Community Focus Areas of the District/Foundation’s Strategic Plan by using data, and/or case studies, and/or interviews/focus group results, and/or media attention, etc.
Goals (10 points)	The applicant has provided SMART goals with an evaluation plan that is fully developed . The SMART goals are specific, measurable, ambitious, realistic and time-bound , and the evaluation plan will accurately measure the project’s effectiveness.	The applicant has provided SMART goals with an evaluation plan. The SMART goals are mostly specific, measurable, ambitious, realistic, and time-bound , and the evaluation plan will measure the aspects of the project’s effectiveness.	The applicant has provided very limited goals and evaluation plan. The goals are not specific, measurable, timebound and will weakly measure the project’s effectiveness.

<p>Proposed Program/Project Evaluation Plan (10 points)</p>	<p>The applicant describes a specific detailed plan of action for evaluation, that includes both qualitative and quantitative assessment of the project that is well-defined with data reporting mechanisms and narrative that are clear and transparent. Evaluation is in alignment with Goals of the project.</p>	<p>The applicant describes a plan of action for evaluation that includes both qualitative and/or quantitative assessment of the project that is well-defined with data reporting mechanisms and /or narrative that are clear and transparent. Evaluation is in alignment with the Goals of the project.</p>	<p>The applicant does not describe, or vaguely describes a reasonable plan of action that can be completed during the grant period, involves some identified partners appropriately, and might make the project a reality.</p>
<p>% of Funding Requested – Leveraging of Outside Funds (10 points)</p>	<p>0-50% Budget shows mostly committed funds, in-kind funds for professional services and balance is from proposed funds have been identified and in place</p>	<p>51-70% Budget shows some committed funds, in-kind funds for professional services and proposed funds making up the majority, have been identified.</p>	<p>71 - 100% Budget shows limited to no committed funds, balance is made up of mostly identified proposed funds</p>
<p>Applicant Capacity and Infrastructure to Execute Proposal (10 points)</p>	<p>The applicant includes concrete examples that strongly demonstrate that the human resource allocation to this project is appropriate (internal staff expertise, use of external consultants, advisory committee, etc.) The applicant strongly demonstrates credibility for this kind of work (strength, name recognition, a history or track record of achievements, related mission and letters of support)</p>	<p>The applicant includes solid examples that demonstrate that the human resource allocation to this project is appropriate (internal staff expertise, use of external consultants, advisory committee, etc.). The applicant demonstrates credibility for this kind of work (strength, name recognition, a history or track record of achievements, related mission and letters of support)</p>	<p>The applicant does not include examples that would demonstrate the human resource allocation to this project is appropriate (internal staff expertise, use of external consultants, advisory committee, etc.). The applicant is limited in its ability to demonstrate credibility for this kind of work (strength, name recognition, a history or track record of achievements, related mission and letters of support).</p>

<p>Organizations' Sustainability (10 Points)</p>	<p>The applicant strongly demonstrates that it has a current strategic plan and/or business plan with measurable outcomes. Strong board engagement and governance. The proposed program is identified within the strategic plan.</p>	<p>The applicant demonstrates that it has a current strategic plan and/or business plan with measurable outcomes Shows Board engagement and governance. Applicant has clearly identified that the program is supported by the strategic plan</p>	<p>The applicant does not demonstrate that it has a strategic plan and/or business plan. The program only reflects the applicant's mission.</p>
<p>Budget (10 points)</p>	<p>The budget is specific and reasonable, and all items strongly align with the described project. The budget strongly demonstrates financial clarity/value and tells the same story as the proposal narrative. There are no unexplained amounts. The overall value of the project (the relationship of benefits and/or participants) to costs is effective. Additional leveraged funding sources and in-kind services are included. Staff FTE is identified clearly.</p>	<p>The budget is clear and reasonable, with the items aligned with the described project. There are no unexplained amounts. The overall value of the project (the relationship of benefits and/or participants to costs) is reasonable and/or some additional funding sources and/or in-kind services are included.</p>	<p>The budget is not specific and/or reasonable, and the items are somewhat aligned with the described project. The budget somewhat demonstrates financial clarity. There are no unexplained amounts.</p>
<p>Fiduciary Compliance (10 Points)</p>	<p>The applicant strongly demonstrates a financial history that shows a continuous cycle of fiduciary responsibility of the Board through unmodified audited financials produced in a timely fashion, positive cash flow at the end of each fiscal year, asset ratio meets required debt load, and the Board reviews financials on a regular basis.</p>	<p>The applicant demonstrates a financial history that shows a continuous cycle of fiduciary responsibility of the Board through unmodified audited financials produced in a timely fashion, and the board reviews financials on a regular basis.</p>	<p>The applicant demonstrates a financial history that shows a continuous cycle of fiduciary responsibility of the Board through audited financials produced. A positive cash flow at the end of each fiscal year is not consistent. and the Board does not review financials on a regular basis.</p>

<p>Financial Stability (10 Points)</p>	<p>Funding sources for operations and programs are coming from multiple sources and is driven by a strategic plan for stability for both short- and long-term growth.</p>	<p>Source of funds for operations and programs are coming from multiple sources. There is a limited plan in place for stability for short term only.</p>	<p>Source of funds for operations and programs are coming from limited sources. There is no plan for stability in place currently.</p>
<p>Key Partners / Collaboration (10 points)</p>	<p>The applicant strongly demonstrates solid partnerships and collaborative approach with letters of commitment or an MOU that includes a scope of work.</p>	<p>The applicant demonstrates partnerships and collaborative approach with letters of commitment.</p>	<p>The applicant demonstrates limited or no partnerships and has not included any letters of commitment.</p>
<p>Comments/Notes:</p>			

Total Score: ____ / 110 = ____%

Exceeds expectations:	77% or Higher	Fully Funded
Meets expectations:	50%- 76%	Full to Partial – Possible restrictions/conditions
Does not meet expectations:	49% or Lower	No funding to Partial funding with restrictions/conditions

EXHIBIT B

Project Title
 COVID-19 Testing for Farmworking Communities in the
 Eastern Coachella Valley

Start/End
 6/15/2020
 10/31/2020

PAYMENTS:

(1) Payment: \$149,976.00

Total request amount: \$149,976.00

GRANT AND PAYMENT SCHEDULE REQUIREMENTS

Scheduled Date	Grant Requirements for Payment	Payment
07/01/2020	Signed Agreement submitted and accepted.	Advance of \$149,976.00 for time period 06/15/2020– 10/31/2020
11/01/2020	Final report (06/15/2020– 10/31/2020), final budget with receipts, and reporting on the goals, evaluations, and impact.	\$0.00

TOTAL GRANT AMOUNT: \$149,976.00

Deliverables

Program/Project Goals and Evaluation

<p>Goal #1: Goal #1 is to establish and implement routine testing for farm workers and contract tracing. Tests will be conducted with farmworkers in the eastern Coachella Valley in Riverside County. The County will provide all testing kits and conduct analyses at no cost granted that we refer patients to a new testing center in Cathedral City. Given the distance between the eastern valley and Cathedral City, County has agreed for us to pick up the kits in Cathedral City, collect the specimens in the community, and bring them back to the County testing site along with accompanying demographic and contact information. A team of promotoras and medical students accompanied by a UCR clinical faculty member or resident will conduct the tests. The leadership team will work with the advisory board members to identify testing sites and will collaborate with growers and contractors to set up testing clinics at sites of employment. We anticipate conducting</p>	<p>Evaluation #1: To evaluate Goal #1, we will assess the impact of routine testing and contact tracing on farmworkers' health outcomes and access to healthcare services, resources, and basic needs. Medical students will conduct phone interviews with 40 farmworkers who utilized the testing services and agreed to participate in one-on-one interviews. The purpose of the interviews will be to assess the impact of the testing on their health and wellbeing and identify any needed resources or services. Interviewers will also inquire about community perceptions of the virus, it's spread, and the perceived impact of the testing sites on community needs and health. Participants will be provided with \$15 for their time. Interviews will be approximately 30 to 45 minutes; they will be audio recorded, transcribed using transcription services, and analyzed using rapid qualitative coding techniques. Themes will be identified, which will inform continued outreach</p>
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<p>5,000 tests over 16 weeks, which approximates 50-60 tests per day. The promotoras will assist with engaging the farmworkers in testing, as well as fill out the necessary documentation and hand out public health material. The medical students and volunteer healthcare provider will conduct the testing and will return the specimens to the Cathedral testing site at the end of each day. Dr. Debay will serve as supervising physician and will be on call to answer any questions or address concerns. Medical students will work with county to contact patients to communicate test results and assist with contact tracing based on test results.</p>	<p>efforts, new testing sites, and development of public health material.</p>
<p>Goal #2: Goal #2 is to disseminate public health education about Covid-19 to farmworkers and broadly throughout farm-working communities. We will begin to disseminate Covid-19 public health information at testing sites, followed by handouts on pay day, and door-to-door delivery in farm-working communities. Already GH@H has developed pamphlets in Spanish and Purépecha on how to prevent the spread of the coronavirus and what to do in the event of testing positive. Additionally, Growing Coachella Valley, a collaborator on this project, developed material in Spanish and English that provides a hotline for farmworkers and information on how to prevent spread of the virus. We will translate this material to Purépecha. We will also use social media to disseminate health information, including our Facebook page @ Unidoporsalud. Two bilingual pre-health student interns will develop and disseminate the material. They will work closely with the promotoras to ensure the material is in the correct language and accessible to the community. Dissemination efforts will begin at the start of the project period and continue until the end of the award. We anticipate printing 12,000 hard copies of flyers that will be disseminated via in-person distribution at the fields and in communities in the eastern valley (Thermal, Mecca, North Shore, and Oasis). Approximately 75 posts with Covid-19 information will be shared via social media. As previously indicated, we will administer the existing Coronavirus Farmworker Survey created by Growing Coachella Valley to assess farmworkers' financial stability, healthcare services use, and working conditions in the context of Covid-19. Approximately 150 surveys will be administered using Qualtrics (a survey platform) on smart phones at testing sites. The responses will inform ongoing outreach, services and</p>	<p>Evaluation #2: To evaluate Goal #2, we will assess the reach of Covid-19 public health information using basic descriptive statistics collected throughout the award period. Specifically, we will count the total number of flyers given to patients at testing sites and shared with community members. Promotoras will keep a tally of the number of pamphlets distributed to patients at clinics as well as any material disseminated in the community. For social media, undergraduate students leading the social media outreach will provide monthly brief reports on Facebook and Instagram traffic, including new Facebook and Instagram followers and likes, comments, and sharing of Covid-19 related posts or material. We will also keep tally of any radio or news interviews. The coronavirus survey data will be analyzed using descriptive statistics and bivariate and multivariate analyses. Through the UCR SOM we will have support of a biostatistician who can assist with more complex data analysis. Analyses will focus on farmworkers' needs and resources during Covid-19 and will identify factors that might place some farmworkers at more risk for contracting or spreading the virus and identify solutions to mitigate risk. The findings will inform public health dissemination efforts.</p>

<p>resource identification, and public health information sharing.</p>	
<p>Goal #3: Goal #3 is to reduce the spread of the coronavirus among the farm-working population in the eastern valley. We will do this by providing Covid-19 testing in places of employment, specifically agricultural fields and packing houses. We will work closely with Growing Coachella Valley and other members of the advisory board to identify growers and contractors with whom we can partner to set up testing sites. Based on conversations with growers, we anticipate testing will take place in the early morning or late afternoon to accommodate farmworkers and their employers. Once a testing location has been established and permission has been granted to set up a "pop-up" testing clinic (i.e., will be set up and taken down in the same day), we will organize and instruct the team of medical students, promotoras, and healthcare provider so they can successfully carry out testing. In addition to onsite testing clinics at places of employment, we will also hold testing clinics in communities in the eastern valley such as the Oasis Trailer Park. This trailer park is home to over 200 families. Similar to most trailer parks in the eastern valley, the majority of its residents work in the fields. Thus its critical to stop the spread from community to the fields and from the fields to the community. We will conduct testing over 16 weeks and evaluation of testing efforts will be ongoing. We will work directly with county public health to identify baseline data on Covid-19 cases, deaths, and new infections, and will monitor changes over time in the eastern valley.</p>	<p>Evaluation #3: To evaluate Goal #3, we will work with Riverside County public health officials to identify baseline data on cases, deaths, and new infections. Throughout the course of testing and contact tracing, we will monitor changes on a weekly basis using the Riverside County Covid-19 Cases webpage that is updated daily Monday to Friday. This effort will be led by medical students. Dr. Cheney will supervise the students and oversee data analysis and development of reports. Medical students will use a template to systematically track the number of those tested, confirmed, currently hospitalized, deaths, and recovered in Riverside County. They will work with County to obtain specific information for the aforementioned categories for communities in the eastern valley (Mecca, Thermal, Oasis, North Shore). Statistical methods will be used to show changes over time. We anticipate that during the project period the number of individuals tested will increase and there will be decreases in hospitalizations and deaths. These data will be summarized and included in a final report.</p>



DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, LEGAL, AND COMMITTEE
MEETING MINUTES
June 09, 2020

Directors Present	District Staff Present	Absent
Chair/Treasurer Mark Matthews President Leticia De Lara, MPH Director Arthur Shorr	Conrado E. Bárzaga, MD, Chief Executive Officer Chris Christensen, Chief Administration Officer Eric Taylor, Accounting Manager Donna Craig, Chief Program Officer Andrea S. Hayles, Clerk to the Board	

AGENDA ITEMS	DISCUSSION	ACTION
I. Call to Order	Chair Matthews called the meeting to order at 3:39 p.m.	
II. Approval of Agenda	Chair Matthews asked for a motion to approve the agenda. Michele Finney, CEO, Desert Regional Medical Center, Desert Care Network explained that staff is shocked and saddened by the death of Dr. Ercoli, a one a kind individual. Director Matthews described Dr. Ercoli's tenure with Desert Regional Medical Center and adjourning the meeting in his honor.	Moved and seconded Director Director Shorr and President De Lara to approve the agenda. Motion passed unanimously.
III. Public Comment	There was no public comment.	
IV. Approval of Minutes 1. F&A Minutes – Meeting May 12, 2020	Chair Matthews motioned to approve the May 12, 2020 minutes.	Moved and seconded by President De Lara and Director Shorr to approve the minutes.
V. CEO Report	There was no report.	
VI. Chief Financial Officer's Report 1. LPMP Leasing Update	Chris Christensen, CAO, explained that the bidding for the landscape project is in process, other matters are moving as planned, and presented the leases for consideration of approval.	

DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, LEGAL, AND COMMITTEE
MEETING MINUTES
June 09, 2020

<p>VII. Financial Reports</p> <ol style="list-style-type: none"> 1. District and LPMP Financial Statements 2. Accounts Receivable Aging Summary 3. District – Deposits 4. District – Property Tax Receipts 5. LPMP Deposits 6. District – Check Register 7. Credit Card – Detail of Expenditures 8. LPMP – Check Register 9. Retirement Protection Plan Update 10. Grant Payment Schedule 	<p>Chair Matthews reviewed the financials and answered questions of the committee members, such as the variance inquiry related to last year’s budgeted item for the Chief Operating Officer position that was not filled. The May and June tax payments were received and much higher than the previous tax revenue.</p>	<p>Moved and seconded by Director Shorr and President De Lara and to approve the May 2020 District Financial Reports - Items 1-10 and to forward to the Board for approval. Motion passed unanimously.</p>
<p>VIII. Other Matters</p> <ol style="list-style-type: none"> 1. Las Palmas Medical Plaza - Addendum to Lease Agreements for Rent Deferral 2. Las Palmas Medical Plaza – Lease Renewal Suite 1W 102-103 – Quest Diagnostics 3. Service Agreement Addendum - Rauch Communications Consultants Inc. – Board & CEO Roles and Relationships Workshops, NTE \$32,200 	<p>Chris Christensen, CAO, explained the rent relief during the COVID-19 pandemic, and described the rent deferral and lease addendum for the rent. A revision to the title will be corrected for misspelled words.</p> <p>Chris Christensen, CAO, described the lease renewal with Quest Diagnostics, including legal counsels’ role with review of the lease.</p> <p>Chris Christensen, CAO, provided an overview of the additional workshops with Rauch Communications, explaining a correction to the request from \$32,200 to \$44,400. The service agreement addendum and</p>	<p>Moved and seconded by President De Lara and Director Shorr to approve the Las Palmas Medical Plaza - Addendum to Lease Agreements for Rent Deferral and to forward to the Board for approval. Motion passed unanimously.</p> <p>Moved and seconded by Director Shorr and President De Lara to approve the Las Palmas Medical Plaza – Lease Renewal Suite 1W 102-103 – Quest Diagnostics and to forward to the Board for approval. Motion passed unanimously.</p> <p>Moved and seconded by President De Lara and Director Shorr to approve the Service Agreement Addendum - Rauch Communications Consultants Inc. – Board & CEO Roles and Relationships Workshops, NTE \$44,400. Motion passed unanimously.</p>



**DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, LEGAL, AND COMMITTEE
MEETING MINUTES
June 09, 2020**

	<p>proposal represent four additional workshops. The cost of the January workshop was not included in the prior service agreement. The amount of the preparation work and workshop was \$12,200. This amount should have been included with the new service agreement addendum, making the total of the addendum \$44,400.</p>	
<p>IV. Adjournment</p>	<p>Chair Matthews adjourned the meeting at 3:51 p.m. in honor of Frank Ercoli, MD, Trauma Surgery Specialist, Head of Trauma, Desert Regional Medical Center.</p>	<p>Audio recording available on the website at http://dhcd.org/Agendas-and-Documents</p>

ATTEST: _____
 Mark Matthews, Chair/Treasurer Finance & Administration Committee
 Desert Healthcare District Board of Directors

Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: June 23, 2020
To: Board of Directors
Subject: Rauch Communications, Inc. Service Agreement Addendum #1 – NTE \$44,400

Staff Recommendation: Consideration to approve the Rauch Communications, Inc. Service Agreement Addendum #1 – NTE \$44,400.

Background:

- The District has been engaged with Rauch Communications to develop best practices in governance with the Board with a focus on Board and CEO roles and relationships and to develop key issues and goals for the Board.
- In May 2019, Martin Rauch conducted a workshop with the District’s Board and Staff to begin the referenced process.
- A second workshop was conducted January 23, 2020, where several issues and topics were developed for further work by the Board and Staff.
- The Board also requested additional future workshops, potentially quarterly.
- The Addendum and Scope of Work covers the January 2020 workshop and up to four additional future workshops.
- At the June 9, 2020 Finance & Administration Committee meeting, the Committee approved the request and recommended forwarding to the Board for consideration of approval.
- Staff recommends approval of the Rauch Communications, Inc. Service Agreement Addendum #1.

Fiscal Impact:

- NTE \$44,400 included in the annual budget.
1. \$12,200 – January 23, 2020 Workshop
 2. \$32,200 - Up to 4 future workshops

**CONSULTING SERVICES AGREEMENT
ADDENDUM #1**

This Professional Services Agreement (“Agreement”) was entered into by and between Desert Healthcare District (“District”), a public agency organized and operating pursuant to California Health and Safety Code section 32000 et seq., and Rauch Communication Consultants Inc., (“Consultant”) as follows:

R-E-C-I-T-A-L-S

1. District would like to retain the professional services of Consultant to continue the review best practices in Governance with the Board with a focus on Board and CEO roles and relationships and to develop key issues and goals for the Board through continued workshops.

2. Consultant has worked with special districts for more than 40 years and is qualified and possesses the knowledge, skill, expertise, necessary to provide the professional services (“Services”) as more specifically outlined in the attached Exhibit “A” (“Consultant Proposal”).

C-O-V-E-N-A-N-T-S

1. CONSULTANT’S SERVICES.

1.1 Services. Consultant shall provide all labor, materials, equipment, and incidentals necessary to fully and adequately provide the District and the Desert Healthcare District (“District”) with the professional services described in the Consultant Proposal. All Services shall be performed by Consultant to the reasonable satisfaction of the District.

1.2 Compliance with Laws. In performing the Services, Consultant shall, at all times comply with all applicable laws, rules, regulations, codes, ordinances, and orders of every kind whatsoever issued, adopted, or enacted by any federal, state, or local governmental body having jurisdiction over the Services.

1.3 Performance Standard. Consultant shall perform the Services with efficiency and diligence and shall execute the Services in accordance with the standards of Consultant’s profession, generally described as that degree of skill and care ordinarily exercised by professionals providing similar services as Consultant practicing in California.

1.4 District and Foundation’s Representative. For purposes of this Agreement, the District and Foundation’s Representative shall be District’s Chief Executive Officer Conrado Barzaga, located at 1140 North Indian Canyon Drive, Palm Springs, CA 92262. All amendments to this Agreement shall be approved by the District Board.

2. FEES AND PAYMENTS.

2.1 Compensation for Services. For the full and satisfactory performance of the Services, District shall compensate Consultant a Not To Exceed amount of \$44,400, plus customary expenses.

2.2 Invoices. Consultant shall deliver monthly invoices to the District no later than the 10th day of each month for Services.

2.3 Payment. The District shall remit payment for all amounts due to Consultant within thirty (30) days after receipt of invoices; provided, however, in the event District disputes any portion of Consultant's invoice, it shall timely pay any undisputed amounts invoiced and notify Consultant within thirty (30) days of its receipt of the invoice of the specifics of any disputed amounts. The parties shall expeditiously resolve the subject of any disputed amounts by way of negotiation or, if necessary, mediation. Any such dispute shall not relieve Consultant of its obligation to continue diligently performing the Services.

3. TERM; TERMINATION.

3.1 Term. The term of this Agreement shall run from the date this Agreement is fully executed until June 30, 2021, subject to Section 1.3 above or the District's right to terminate sooner for convenience.

3.2 Termination for Convenience. District may, at any time in the exercise of its sole discretion, terminate this Agreement in whole or in part, with or without cause, by providing notice to Consultant of its intention to terminate the Agreement for convenience. So long as Consultant is not in default under this Agreement at the time of such termination, District shall pay Consultant for all Services incurred upto and including the date of termination.

4. INDEPENDENT CONTRACTOR.

District has retained Consultant to provide, and Consultant shall perform, the Services as an independent contractor maintaining exclusive direction and control over its employees; and, no personnel utilized by Consultant to perform the Services are employees of the District.

5. OWNERSHIP OF DOCUMENTS.

All deliverables and other documents generated by Consultant in the performance of the Services, including all work papers, work-in-progress, designs, documents, data, ledgers, journals and reports prepared by Consultant as a part of Consultant's Services

shall belong to and be subject to the sole ownership and use of the District. The provisions of this Paragraph 5 shall survive any termination of this Agreement.

6. INDEMNIFICATION.

Consultant agrees to indemnify and hold the District and Foundation, its governing body, officers, employees, representatives, agents, successors and assigns (collectively the District/Foundation Indemnities), harmless from and against any and all losses, liabilities, claims, causes of action or costs and expenses of whatever nature or kind, incurred or suffered by the District or the District/Foundation Indemnities including indemnity claims arising by reason of any personal injury of any person or property loss, loss of use, or damage, to the extent the same arise out of or in connection with the negligent act(s) or omission(s), recklessness, or willful misconduct of Consultant, its officers, employees, subcontractors, or representatives, relating to the performance of the services outlined in this Agreement.

7. NOTICE.

All notices to be given under this Agreement shall be in writing and shall be deemed effective upon receipt when personally served or two days after mailing by certified, return receipt requested, to the following addresses:

To: District
Desert Healthcare District
Attention: Conrado Barzaga, Chief Executive Officer
1140 N. Indian Canyon Drive
Palm Springs, California 92262

To: Consultant
Rauch Communication Consultants Inc.
Attention: Martin Rauch, President
936 Old Orchard Road
Campbell, California 95008

8. MISCELLANEOUS PROVISIONS.

8.1 Venue. Venue shall lie only in the federal or state courts nearest to the City of Palm Springs, in the County of Riverside, State of California.

8.2 Modification. This Agreement may not be altered in whole or in part except by a modification, in writing, executed by all the parties to this Agreement.

8.3 Entire Agreement. This Agreement, together with all Schedules attached, contains all representations and the entire understanding between the parties with respect to the subject matter of this Agreement. Any prior correspondence, memoranda, or agreements, whether or not such correspondence, memoranda, or agreements are in

conflict with this Agreement, are intended to be replaced in total by this Agreement and its schedules.

8.4 Assignment. Consultant shall not be entitled to assign all or any portion of its rights or obligations contained in this Agreement without obtaining the prior written consent of the District. Nothing in this Agreement shall obligate the District to give such consent. Any purported assignment without the District’s consent shall be void.

8.5 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties and their respective purchasers, successors, heirs, and assigns.

8.6 Unenforceable Provisions. The terms, conditions, and covenants of this Agreement shall be construed whenever possible as consistent with all applicable laws and regulations. To the extent that any provision of this Agreement, as so interpreted, is held to violate any applicable law or regulation, the remaining provisions shall nevertheless be carried into full force and effect and remain enforceable.

This Agreement is entered into in the County of Riverside, State of California.

“District”:

Desert Healthcare District

By: _____
Leticia DeLara, President

Date: _____

“Consultant”:

Rauch Communication Consultants Inc

By: _____
Martin Rauch, President

Date: _____



Phone: 408-374-4097
Email: info@rauchcc.com
Web: www.rauchcc.com
936 Old Orchard Rd. Campbell, CA 95008

Dynamic Public Outreach, Smart Strategic Planning

For local governments, special districts, and the engineering, environmental and law firms that support them.

DATE: June 4, 2020

NO OF PAGES: 10

TO: Conrado E. Bázquez, CEO Desert Health Care District

FROM: Martin Rauch

Thank you for your request for a proposal to assist Desert Health Care District to continue the review of best practices in Governance with the Board with a focus on Board and CEO roles and relationships and to develop key issues and goals for the Board through continued workshops.

READY TO HIT THE GROUND RUNNING

Here's why the District would be well served by Rauch Communication Consultants:

Organizational and Governance Experts. We have worked with well over 200 Special Districts over the years. Martin is the principle author of the Special District Leadership Foundation certificate course on Board Governance and Strategic Planning, and a regular faculty member and presenter. We have helped many boards to understand the issues and challenges facing them, and to identify and implement solutions that work.

We know the District and have worked with the Board and staff recently.

Special District Experts. We understand special Districts, their role, services, governance, staffing, and the challenges facing Districts.

Experienced Mediators. We are experienced at helping to improve relationships between governing board members, between board and manager, and between manager and employees

Get-To-The-Point Approach. We have refined our approach to get maximum results quickly. We know you are busy and we make every minute count.

Sincerely,

A handwritten signature in black ink that reads 'Martin Rauch'.

Martin Rauch
President

PAST PROGRESS

Before describing the proposed work plan it may be beneficial to review progress to-date.

Setting and Purpose of the Process. The District was in a period of transition during the early period of this project in 2019. It was operating under an Interim Chief Executive Officer, the Board had recently been expanded by two directors, there were several new Board members, and the service area had been recently doubled in size—without a corresponding increase in revenue.

The Board was seeking help to work through the transition and make changes to increase its effectiveness. The consultant worked with staff, legal counsel, the Board president, and a Board committee to settle on holding a Board workshop to resolve the key governance issues that led to this project

Initial Research, Interviews Facilitation and Plan Development. The project began in early 2020 with a review of background documents and interviews with current and former directors, senior staff, and legal counsel to obtain their views and insights on board governance and board/CEO roles and relationships.

May 23, 2019. A facilitate workshop was held on May 23, 2019, and was designed to provide an opportunity for the Board and senior staff to express their questions, concerns and ideas on governance issues, board/CEO role and relationships, and differences around District programs and projects. Numerous topics were discussed, clarifying open questions brought by the Directors and staff.

January 23, 2020 Workshop. Before the January 23, 2020 workshop, the consultant again interviewed each member of the Board, senior staff and legal counsel. By early 2020, both the Board and staff had steadily worked through many of the challenges and issues from the previous year, and it was clear that both the Board, staff, and the overall organization had made progress. However, there remained open issues, and a workshop was held in January 2020 to review the open issues from the workshop held the previous year, discard any issues that were resolved or no longer applicable, add any new related issues, resolve those that can be settled during the workshop, and set a pathway to resolve the rest.

LOOKING TO THE FUTURE

A Flexible Program That will be Adapted to Meet the Needs of the District Over Time. The purpose of the facilitated workshops is to continue the process began last year. It will be flexibly implemented to meet the specific needs of the District over time. However, it is likely to include most or all of the following elements:

Board Development Workshops. Up to four custom planned and facilitated workshops with the Board and Executive team. Workshops will take place quarterly, at the discretion of the District, to encourage incremental and continuous board development and improvement over time.

Interviews. At the discretion of the District, confidential interviews may be held before workshops to better inform workshops content and strategy.

Write and Integrate Notes and Report. The consultant will take the notes from the interviews and workshops and integrate the various comments into a logical and coherent summary. Add recommendations and suggestions for best practices.

Exhibit A

Develop Implementation Plan and Update Over Time. Gather and maintain a list of specific actions for staff, individual board members, committees and the entire Board to move the Board and CEO roles and relationships forward and to advance other issues and priorities that are identified.

Facilitate (with Legal Counsel) the Memorialization and Adoption of Board Policies to help guide governance and management functions. Help the Board and Staff to clearly define the proper roles between governance and management to ensure proper channels of communication and authority exist between board and staff.

COST ESTIMATE

Scope of Work. We propose to undertake this project on a not to exceed time and materials basis Of \$32,200. It will be flexibly implemented over time as needed to help the Board improve its performance, implement best practices for Board roles and relationships among the Board and with the CEO, and to build consensus on important projects, programs and priorities.

DHD FACILITATION PROPOSAL		Senior Consultant	Assoc	SUB-TOTALS	X4
	Rate	\$245	\$70		
Step 1 Per Workshop	Hours	12	0	12	48
Conduct Approximately Eight Phone Interviews (Board plus CEO) and assimilate/integrate the input and notes.	Dollars	\$2,940	\$0	\$2,940	\$11,760
Step 2 Per Workshop	Hours	12	0	12	48
Plan and Facilitate Workshops	Dollars	\$2,940	\$0	\$2,940	\$11,760
Step 3 Per Workshop	Hours	8	3	11	44
Coordination and Reporting. Coordination, answering questions, and summarizing the results of the workshop, updating the implementation plan and next steps, etc.	Dollars	\$1,960	\$210	\$2,170	\$8,680
	Total Hours	32	3	35	140
	Dollars	\$7,840	\$210	\$8,055	\$32,200

The actual pattern of work is likely to vary. The table above is simply to show the basis upon which the estimate was generated. There may be a need to update District policies and procedures or take other actions to implement the results of the workshop. Such actions may exceed the scope of this proposal.

Travel and Expenses Additional. Basic material expenses, including, travel expense (transportation and lodging), office printing and sales tax are additional and passed on at cost. Car mileage is at the IRS California rate at the time or actual rental car cost plus fuel. These are planned to be web meetings without travel. For meetings involving travel of more than one hour, the minimum charge is four hours.

More Cost Estimate Details. Final charges could be less than the not-to-exceed amounts. No out-of-scope work will be undertaken without prior written approval from the District. Out-of-scope work includes new tasks, or extra work on existing tasks, which exceeds the total estimated cost for the project. Our rates are: Strategy planning, facilitation and management consulting rate for the senior

Exhibit A

consultants is \$245.00 per hour. Outreach and public involvement programs rate for the senior consultants is \$175 per hour. Outreach and public involvement programs rate for associate consultants is \$115 per hour. Graphic designer and webmaster services rate is \$105 per hour. Social media and writing specialist's rate is \$45 to \$90 per hour. Rate for Administration, Production Manager, is \$70 per hour.

STATEMENT OF QUALIFICATIONS AND EXPERIENCE

Rauch Communication Consultants Inc. has served special districts for more than 40 years in California. During that time, we have worked with well over 200 agencies throughout the state, as well as with many of the leading organizations that deal with local agencies, such as CSDA, ACWA, CASA, and others. We have worked with individual agencies of every kind and size in most corners of the state: water, sanitary, hospital, vector, airport, park and recreation, Community Services Districts, JPAs and others.

Our firm offers three consulting specialties: assisting clients in the development of strategic plans, implementing strategic public outreach programs, and consulting to resolve board and management issues. These services are conducted out of our office in, Campbell (San Jose), and through our affiliates in other cities around the state.

Our expertise in public involvement and outreach lends itself to effectively gathering public input. We are expert facilitators and have planned and facilitated hundreds of successful meetings and workshops over the years.

We completed the strategic plan for the California Special District Association, as well as for dozens of special districts. We led Association of California Water Agencies (ACWA's) Vision 2000 strategic plan that significantly changed the structure and direction of the organization, as well as key planning sessions for California Association of Sanitation Agencies (CASA) during a time of organizational change.

We have also served as speakers for conferences and seminars on strategic planning and public outreach for ACWA, CASA, CSDA and other District associations.

EXPERIENCED FACILITATORS:

Rauch Communication Consultants LLC (RCC) is skilled at bringing together parties with different interests and perspectives, working with them to resolve difficult situations, and assisting in the resolution of conflicts. Some examples of our experience follow:

- **Monterey Regional Water Pollution Control Agency and Marina Water District.** Helped to resolve issues surrounding a joint project to develop a recycled water marketing distribution program, along with related issues. Several workshops were conducted with representatives from both Boards, legal counsels and general managers.
- **Conjunctive Use Working Group.** Worked with dozens of water agencies and stakeholders about use of vacant storage space in the Central and West Coast Basin of Los Angeles County. They did not reach full agreement but identified many potential joint projects that have been used over time. Funded by the State Department of Water Resources.
- **San Diego County Water Authority Water Storage Plan.** Facilitated monthly discussion meetings with over 20 water agencies and the Water Authority in developing a countywide water storage plan. Relationships among the players were difficult initially, but we successfully reached consensus on a plan.
- **Big Bear Municipal Water District and San Bernardino Valley Municipal Water District Legal Dispute.** Facilitated a solution to a long-simmering water dispute following years of court fights in a single Board-to-Board meeting.

Exhibit A

- **Three Valleys Water District Regional Water Supply Plan.** Assisted agency to begin building consensus on regional conjunctive use plan with numerous member agencies. Involves, strategizing, planning, communicating, facilitating both internally with the Board and externally with member agencies and the press.
- **Friant Water Authority.** Worked with this large Board of 23 that were divided into many camps and subgroups and becoming near paralyzed with dissension. We helped them to rebuild the group from the ground up with new governance, new CEO and a strategic plan that is being implemented. The organization is now flourishing.
- **San Luis Delta Mendota Water Authority.** This large Joint Powers Authority was struggling to function effectively as it lost key executive staff and there were disagreements and lack of consensus on the Board on how to move forward. An extensive strategic planning process rebuilt consensus on the way forward, including the hiring of new executive leadership. The Board and staff leadership are moving forward strongly and effectively under the new consensus.
- **Kern County Water District Strategic Plan.** Developed a complete strategic plan for a regional water agency working with a large and sometimes contentious group of member agencies.
- **Big Bear Municipal Water District and San Bernardino Valley Municipal Water District Legal Dispute.** Facilitated a solution to a long-simmering water dispute following years of court fights.
- **Las Gallinas Valley Sanitary District.** Successfully facilitated among a board with differing ideas about Board interactions with staff, what is micromanaging, the amount of detail in minutes, and other issues. These issues were affecting the Manager's ability to perform his job. We successfully facilitated discussion of these issues and development of new policies that eventually resolved the issues.
- **Cambria Desalination Plant.** Facilitated a lengthy series of meetings of a committee of 25 stakeholders on a contentious community issue that had previously resulted in election losses for the local water agency. Developed consensus on the project that later won a majority election victory.
- **Big Bear Airport District.** Facilitated a long running conflict between one member of the Board and others. The conflict had begun to paralyze both the staff's and the Board's ability to operate effectively and all involved were exhausted from it. After a couple of workshops, we were able to facilitate new policies to resolve the issue and also develop consensus around key goals, objectives and priorities.
- **Truckee Sanitary District.** Worked with this District that had problems with a single disruptive Board member. They adopted procedures that resulted in more effective board governance.
- **San Joaquin River Exchange Contractors Water Authority.** In the process of developing a strategic plan, we facilitated resolution of a complex water policy issue in two workshops that had been a source of conflict for many years.

Exhibit A

WHAT OUR CLIENTS ARE SAYING ABOUT RCC

“Thanks for your guidance in helping the Board members make decisions that resulted in a healthy working, and successful atmosphere in our District...We have a Board and Management team who get along and support each other. Again, thank you for your capable knowledge and assistance...”

Cordova Recreation and Park

“Our board was having a tough time communicating between ourselves, and unable to communicate with staff. The workshop you put together for us has given us a clear vision and made all the difference in the world.”

Three Valleys Municipal Water District

“Thanks for your assistance with this long overdue process. Great workshop outcome. It went a long way to provide the current Board camaraderie and trust.”

San Diego County Water District

“It was one of the most productive series of meetings of this kind I have participated in professionally.”

Cucamonga County Water District

“Over the years, I have done many, many strategic plans and this one was impressive for how efficient the process was and it got to the point in a practical and useful way. Too often strategic plans just get put on a shelf until next year. This one has check points and useful targets and tasks regularly thru next year.”

Director Novato Sanitary District

“Though your skilled mentoring and carefully executed annual planning sessions . . . this District has been able to rise from the depths of public unrest to a position of public trust. . . So much of what we have accomplished is credited to the tools that you have given us along the way.”

San Juan Water District

“This strategic plan was impressive for how efficient the process was, and how it got to the point in a practical and useful way.”

Novato Sanitary District

“On behalf of the Board of Directors and staff of the California Special Districts Association, I wanted to take a moment to thank you for the wonderful job you did at our 2007 Board Planning Session. You did your homework; found the common denominator, and provided the Board and my executive staff with a positive outlook for the future of CSDA...We were all impressed and came away with a sense of positive change for the Association.”

California Special Districts Association

“Our Strategic Planning Workshop, which you facilitated . . . provided the Board with a greatly improved understanding of the many issues facing the District both now and in the future—which makes it possible for the Board to provide a more focused and clear policy direction to staff . . . Perhaps more importantly, your facilitated process helped our Board and Staff develop a consensus

Exhibit A

around a much larger, but still realistic vision of what our District needs to be in order to best serve our customers."

Cucamonga County Water District

"Rauch Communication Consultants has been working with our board of directors and management team for the past ten years. They have facilitated annual strategic planning workshops that have helped us keep everyone focused on the critical priorities of our district. With RCC's help we have learned to address the major long-term issues and develop effective action plans to deal with them. It has really made a difference!"

Truckee Donner Public Utility District

"...a glowing recommendation for your ability to prepare a Strategic Plan."

Squaw Valley Public Utilities District

"Two things surprised me when Martin led our Board members through strategic planning: The first was that he was an incredible quick study in understanding the issues and the nuances of working through them. The second was how he got our Board to open up and freely discuss the issues. Not only was I surprised at how much he got them to talk and share, but the Board members were surprised at how like-minded they were at the end of the process."

Arvin Edison Water Storage District

THE CONSULTANTS ASSIGNED TO THE PROJECT

MARTIN RAUCH, President, Rauch Communication Consultants

Martin is the authorized Principal with authority to negotiate and contractually bind the firm.

Martin Rauch is President of Rauch Communications Consultants, a full-service strategic planning and public outreach firm with main office near San Jose California that has served over 200 clients in California during the past 40 years.

The work will be carried out primarily by Martin Rauch. He brings to this task experience in group dynamics, developing consensus, Board and District strategic planning, and facilitation.

Martin conducts strategic planning sessions for the Boards and senior managers of client organizations. He also provides training in effective Board meetings, roles and relationships of Board members and managers and other related topics. He specializes in the preparation and facilitation of a wide variety of meetings. These complex events include focus groups, citizen's advisory committees, community presentations and public meetings.

Working out of RCC's San Jose Office, Martin also assists Board of Directors and senior managers, by tailoring public information projects that meet the special requirements of each client. For 26 years, he has provided strategic outreach support throughout the state.

Mr. Rauch has served as a speaker and seminar leader for the Association of California Water Agencies (ACWA), California Association of Sanitary Agencies (CASA), California Special Districts Association (CSDA) and others. He was a regular faculty member of the Special District Institute, is a regular speaker for CSDA, and is on the Board of the Special District Leadership Foundation. He has been invited as a speaker to other statewide associations.

Prior to his work for public agencies, he served for several years as a community organizer and educator for nonprofit organizations, organizing community groups and producing educational and information materials. He holds a Bachelor of Arts degree with High Honors from the University of California at Santa Barbara. Martin's formal training also includes completion of Business Mediation Training at UC Berkeley, as well as courses in Facilitating and Mediating Effective Agreements.

Depending on the project needs, Martin will be supported by the appropriate members of his team:

Lynda Boyd, RAUCH COMMUNICATIONS CONSULTANTS, Staff

Lynda manages all the production of document and project timelines for Rauch Communication Consultants.

Amanda Green, CONSULTING SUPPORT, RESEARCH AND WRITING, affiliate

With a master's degree in Public Administration from Harvard University School of Government and seven years' experience, Amanda provides a range of support in researching, planning and writing. Her experience includes several years working on planning and communication projects for RCC. and in the past with numerous government and industry clients.

Exhibit A

LIST OF SELECTED CLIENT

ASSOCIATIONS, JPAs, STATE, FEDERAL, CORPORATIONS, AND OTHERS

Association of California Water Agencies (ACWA)	Sewer Authority Mid-Coastside
California Special Districts Association (CSDA)	Mission Research Corporation
California Association of Sanitation Agencies (CASA)	Stone Creek Company
California Department of Water Resources	Suburban Water Systems
Special Districts Institute	Boyle Engineering
California Sanitation Risk Management Authority	Dokken Engineering
California Association of Public Cemeteries	El Solutions
Friant Water Authority	McCormick, Kidman and Behrens
WaterReuse Association	Pennfield and Smith
California Mosquito and Vector Control Association	Redwine and Sherill
American Desalting Association	White House Office of Policy Development
Association of Groundwater Agencies	National Water Resource Association
San Luis Delta-Mendota Water Authority	North Bay Watershed Authority
San Joaquin River Exchange Contractors Water Authority	San Gabriel Valley Water Association
North Bay Water Reuse Authority	San Gabriel Basin WQA
Faculty Association of Community Colleges	Santa Barbara Special District Association
National Water Resource Association	Cachuma Operations Maintenance Board
Water Education Foundation	Cachuma Conservation Release Board
Pacific Coast Association of Port Authorities	California Sign Association

LOCAL GOVERNMENT AGENCIES

BUTTE COUNTY	District	MARIN COUNTY
Oroville-Wyandotte ID	Inyokern Community Services District	Las Gallinas Valley Sanitary District
CALAVERAS COUNTY	Shafter Park and Recreation District	North Marin Water District
Calaveras County WD	LASSEN COUNTY	Sausalito-Marín City Sanitation Dst.
CONTRA COSTA COUNTY	Lassen Municipal Utility District	Tamalpais CSD
Diablo Water District	LOS ANGELES COUNTY	Sanitary District #5 (Tiburon)
Contra Costa Water District	Los Angeles County Park and Rec	Novato Sanitary District
Steger Sanitary District	Castaic Lake Water Agency	Ross Valley Sanitary District
Dublin San Ramon Service District	Central Basin MWD	San Rafael Sanitation District
EL DORADO COUNTY	Pico Water District	City of San Rafael
South Lake Tahoe PUD	Upper San Gabriel Valley MWD	Central Marin Sanitary Agency
IMPERIAL COUNTY	West Basin MWD	County of Marin
Imperial Irrigation District	San Gabriel Valley MWD	Novato Disposal Services, Inc.
KERN COUNTY	Water Replenishment Dst. of So. Cal.	San Quentin Village and Murray Park
Arvin Edison Water Storage District	San Gabriel County Water District	MERCED COUNTY
Indian Wells Valley Airport District	Main San Gabriel Basin Watermaster	Central California Irrigation District
Indian Wells Valley Water District	California Domestic Water Company	MONO COUNTY (and MADERA)
Kern County Water Agency	Pasadena Historical Museum	Mammoth Community Water District
West Kern Water District	Three Valleys MWD	MONTEREY COUNTY
North of the River Municipal Water District (Bakersfield)	Newhall County Water District	Marina Coast Water District
Oildale Mutual Water Company	Las Virgenes Municipal Water District	Monterey Peninsula Water Management District
North Kern Water Storage District	Conjunctive Use Working Group (?)	Monterey Regional Water Pollution Control Agency
Golden Empire Transit District	Palmdale Water District	Pebble Beach CSD
Terra Bella Irrigation District	City of Sierra Madre	NAPA COUNTY
Friant Water Users Authority	City of Arcadia	Napa County
Cawelo Water District	City of El Monte	Napa Sanitation District
Arvin Community Services District	City of La Puente	NEVADA COUNTY
North Bakersfield Rec. and Park	East Pasadena Water Company	
	Foothill Municipal Water District	
	Valley County Water District	

Northstar CSD	Northridge Water District	Nipomo Community Services District
Truckee-Donner Public Utility District	Rancho Murrieta CSD	SAN MATEO COUNTY
Tahoe Truckee Unified School District	Cordova Recreation and Park District	East Palo Alto Sanitary District
ORANGE COUNTY	SAN BERNARDINO COUNTY	San Mateo County Harbor District
Municipal Water District of Orange County	Big Bear Municipal Water District	Montara Water & Sanitation District
Mesa Consolidated Water District	Monte Vista Water District	Sewer Authority Mid-Coastside
Los Alamitos County Water District	Big Bear Airport District	SANTA BARBARA COUNTY
SouthCoast Water District	Yucaipa Valley Water District	City of Santa Barbara
Serrano Irrigation District	Bear Valley Community Hospital District	Goleta Sanitary District
El Toro Water District	Bear Valley Community Services District	Montecito Sanitary District
Orange County Water District	City of Big Bear Water and Power Department	Carpinteria Sanitary District
Costa Mesa Sanitary District	Joshua Basin Water District	Santa Maria Public Airport District
Capistrano Beach County Water District	Inland Empire Utility Agency	Goleta Water District
Coastal Municipal Water District	East Valley Water District	Montecito Water District
Midway City Sanitary District	Big Bear Area Regional Wastewater Agency	Cachuma Project Authority
TriCities Municipal Water District	Victor Valley Water District	Goleta West Sanitary District
Yorba Linda Water District	Cucamonga County Water District	Mosquito and Vector Management District
Placentia Library District	San Antonio Water Company	Isla Vista Recreation and Park District
Laguna Beach County Water District	Chino Basin Watermaster	Lompoc Hospital District
Emerald Bay Service District	ITI Desert Water District	Santa Barbara County Vector Control District
Moulton Niguel Water District	San Bernardino Valley Water Conservation District	Carpinteria Valley Water District
Orange County Vector Control	Big Bear City CSD	Santa Ynez Community Services District
PLACER COUNTY	City of Big Bear Lake	La Cumbre Mutual Water Company
San Juan Water District	Hi-Desert Water District	SANTA CLARA
North Tahoe Public Utility District	West San Bernardino County WD	Santa Clara Valley Water District
Squaw Valley Public Services District	SAN DIEGO COUNTY	West Valley Sanitation District
PLUMAS COUNTY	San Diego County Water Authority	SANTA CRUZ COUNTY
East Plumas Health Care District	Padre Dam Municipal Water District	Scotts Valley Water District
RIVERSIDE COUNTY	Rincon del Diablo MWD	Pajaro Valley Water Management Agency (Watsonville)
Coachella Valley Mosquito & Vector Control District	Vallecitos Water District	Central Fire Protection District
Mission Springs Water District	Helix Water District	Santa Cruz FPD
29 Palms Municipal Water District	Leucadia Wastewater District	Soquel Creek Water District
Rancho California Water District	North County Fire Protection District	SOLANO COUNTY
South Mesa Water Company	Olivenhain Municipal Water District	Rural North Vacaville Water District
Elsinore Valley MWD	Sante Fe Irrigation District	TULARE COUNTY
Santa Rosa CSD	Otay Water District	Friant Water User Authority
Beaumont Cherry Valley Water District	Fallbrook Public Utility District	Visalia Public Cemetery District
Santa Ana Watershed Project Authority	Rainbow Water District	VENTURA COUNTY
Desert Healthcare District	Vista Irrigation District	Camrosa County Water District
SACRAMENTO COUNTY	SAN FRANCISCO COUNTY	Rancho Simi Rec. & Park District
County of Sacramento Public Works Agcy.	Golden Gate Bridge, Highway, & Trans. District	Casitas Municipal Water District
Sacramento Regional County Sanitation District	SAN JOAQUIN COUNTY	Conejo Recreation and Park District
Fair Oaks Water District	Ripon Fire Department	Ojai Valley Sanitary District
Arcade Water District	SAN LUIS OBISPO	Calleguas Municipal Water District
Sacramento Metropolitan WA	Templeton CSD	Meiners Oak County Water District
Carmichael Water District	Port San Luis Harbor District	Marina Coast Water District
Rio Linda Water District	San Simeon CSD	Camarillo Health Care District
	Cambria Community Services District	

BOARD AND STAFF COMMUNICATIONS & POLICIES COMMITTEE MEETING
MEETING MINUTES
June 17, 2020

Directors Present		District Staff Present		Absent
President Leticia De Lara, Chair Director Evett PerezGil Director Les Zendle, MD		Conrado E. Bárzaga, MD, CEO Chris Christensen, CAO Eric Taylor, Accounting Manager Andrea S. Hayles, Clerk of the Board		
AGENDA ITEMS		DISCUSSION		ACTION
I. Call to Order		The meeting was called to order at 5:30 p.m. by Chair De Lara.		
II. Approval of Agenda		Chair De Lara asked for a motion to approve the agenda.		Moved and seconded by Director Zendle and Director PerezGil to approve the agenda as amended. Motion passed unanimously.
III. Meeting Minutes		Chair De Lara asked for a motion to approve the February 27, 2020 meeting minutes		Moved and seconded by Director Zendle and Director PerezGil to approve the agenda as amended. Motion passed unanimously.
IV. Old Business –				
<ol style="list-style-type: none"> 1. Policy #PROC-1 – Purpose of Board Policies & Adoption/Amendment of Policies 2. Policy #BOD-01 – Swearing in of Board Members 3. Policy #BOD-02 – Election & Appointment and Duties of Board Officers 4. Policy #BOD-04 – Attendance at Meetings 5. Policy #BOD-05 – Basis of Authority 		<p>Chris Christensen, CAO, explained that all the policy revisions are updates for review from the past 2 years.</p> <p>The committee reviewed and considered the revisions to all the policies, and the following changes were noted where applicable.</p> <p>Staff was directed to remove item 2.2.1. from Policy #BOD-02 – Election & Appointment and Duties of Board Officers.</p>		<p>Moved and seconded by Director Zendle and Director PerezGil to approve Policies PROC-1, BOD-01, BOD-02, BOD-04, BOD-05, BOD-11, FIN-01, FIN-02, FIN-03, Resolution #20-04 for FY 20-21 statement of investment policy, FIN-04, and FIN-05, and to forward to the Board for approval. Motion passed unanimously.</p>

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<p>6. Policy #BOD-11 – Board Actions and Decisions</p> <p>7. Policy #FIN-01 – Financial Operations</p> <p>8. Policy #FIN-02 – Authorized Check Signers, Number of Signers, Dollar Limit for Signers, Transfer of Funds</p> <p>9. Policy #FIN-04 – Budget Preparation</p> <p>10. Policy #FIN-05 – Credit Card Usage</p> <p>11. Policy #FIN-03 – Statement of investment Policy</p> <p>12. Consideration to approve Resolution #20-04 for FY 20-21 statement of investment policy</p> <p>13. 2020 Employee Handbook</p>	<p>Jeff Scott, Legal Counsel, described and detailed abstentions for votes, which are considered an affirmative vote for the action or a vote in favor of the action. Board members cannot abstain from a vote if they do not agree with the motion.</p> <p>Conrado Barzaga, MD, CEO, described the revised employee handbook with no changes to the benefits, adjustments for labor law regulations, and the accrual of vacation time. The prior policy included a maximum of 4 weeks for vacation hours, some employees have reached</p>	<p>Moved and seconded by Director Zendle and Director PerezGil to approve the 2020 Employee Handbook with yearly reviews and to forward to the Board for approval. Motion passed unanimously.</p>
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	<p>the threshold, and currently, with no vacation requests due to COVID-19, the vacation accrual hours were increased to 1.5 times the employee’s accrual schedule.</p> <p>The Committee discussed and recommended an annual review of the employee handbook.</p>	
V. New Business	There was no new business.	
VI. Future Topics & Issues	<p>Director Zende explained that the committee did not address the possibility of rotating the officers and the president’s position.</p> <p>Dr. Bárzaga, CEO, explained that a workshop would be necessary for an in-depth discussion with the entire Board, inquiring if the matter should be included in the Board workshop.</p> <p>The committee requested various options that fit the District’s structure before scheduling a workshop.</p>	
VII. Adjournment	Chair De Lara adjourned the meeting at 6:30 p.m.	<p>Audio recording available on the website at https://www.dhcd.org/Agendas-and-Documents</p>

ATTEST: _____

Leticia De Lara, Chair/President
Board and Staff Communications & Policies Committee

Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board

Memorandum



To: Desert Healthcare District/ Foundation Board of Directors
Conrado E. Barzaga, CEO

From: Tom Kirk, CVAG Executive Director (tkirk@cvag.org)

Date: June 17, 2020

Re: CV Link progress and 2020 plans

As our valued partners on CV Link, we provided a quarterly progress report that was presented as part of your May 26, 2020 agenda packet. But we've had such great news in the last few weeks that I wanted to provide a quick update for your next meeting.

- **More miles:** The quarterly report outlined our extensive coordination with both the California Transportation Commission (CTC) and Caltrans in order to finalize our segmenting plans. But we continue to acquire more easements and agreements, so we can add more miles. We are now looking at building nearly 20 miles in 2020, and will include an investment of nearly \$30 million in state and federal funding. This construction will occur primarily in the cities of Palm Springs, Palm Desert, La Quinta, Indio and Coachella. We haven't ruled out additional miles this year, and we'll keep the DHCD Board updated.
- **Final sign-offs:** After our segmenting plan was approved, CVAG was required to get additional approvals by Caltrans and FHWA. Unfortunately, the timing of the paperwork was up to those agencies, as CVAG had completed everything on our end. We got those final signatures on June 1, which was the last hurdle to releasing a request for bids.
- **Construction timing:** With the final signatures in place, CVAG went out to bid on our construction plans. We expect to award a contract in late August or early September. In addition, and as noted in the progress report, CVAG is working with the City of Palm Desert on the on-street segments in the city. A contract should be awarded for that on-street work in the next few weeks.

I'd also point out that the COVID-19 pandemic led to delays in many transportation and capital projects across California. CV Link was not one of them: Not only does the project remain on schedule, but we are building more miles than anticipated this year. This is a project that will be a huge economic boost to the Coachella Valley, and the timing couldn't be better considering the current financial situation we are seeing in our community.

In addition, I think we all saw how many of our friends and neighbors across the Coachella Valley were out walking and biking during this pandemic. On any given day, you could go out to the already-built segments of CV Link and see individuals and families enjoying the pathway for exercise. These are habits that we can continue to encourage with safe and healthy routes like CV Link.

Thanks again for your continued support of this project. Please don't hesitate to reach out to us at (760) 346-1127 if you need any other details.