

# **BLUE FOLDER ITEM**

*Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.*

## **CITY COUNCIL MEETING APRIL 9, 2024**

- N.3. APPROVE A GRANT AGREEMENT WITH HEALTH NET FOR THE IMPLEMENTATION OF THE ALTERNATIVE CRISIS RESPONSE PILOT PROGRAM AND THE EXPANSION OF THE REDONDO BEACH PALLET SHELTER FOR AN AMOUNT NOT TO EXCEED \$1,338,753 AND THE TERM DECEMBER 18, 2023 TO MARCH 31, 2025**

Attached is the following document

- Amended Grant Agreement



April 9, 2024

James A. Light  
Mayor of Redondo Beach  
City of Redondo Beach  
415 Diamond Street  
Redondo Beach, CA 90277

Dear James A. Light,

Health Net, LLC ("Health Net"), sometimes referred to as "the Health Plan" is pleased to inform you that it has approved an incentive payment pursuant to the Code of Federal Regulations ("CFR"), Title 42, Section 438.6(b) and the California Department of Health Care Services ("DHCS") Housing and Homelessness Incentive Program in the amount of \$1,338,753 to the City of Redondo Beach, ("Grantee") on the terms and conditions of this Incentive Letter and Agreement ("Agreement").

This Agreement is made and entered into effective December 18, 2023 ("Effective Date"), by and between the Health Plan and City of Redondo Beach ("Grantee") for the Housing and Homelessness Incentive Program.

**NOW, THEREFORE**, for good and valuable consideration, the parties agree as follows:

- 1. Tax Exemption Status.** If Grantee is exempt from state and/or federal taxation, Grantee will provide The Health Plan proof of such exemption upon The Health Plan's written request. If the Grant is a taxable event for Grantee, Grantee agrees to pay all taxes associated with the Grant and Grantee will indemnify the Health Plan against any such taxes.
- 2. Purpose of Grant.** Grantee agrees to use the entire Incentive exclusively to support the specific goals, objectives, activities, and outcomes stated in Exhibit A (the "Project"). Grantee may not use any part of the Grant, including any interest earned thereon, for any other purpose without the prior written approval of the Health Plan. In no event shall Grantee use any of the funds from this Grant to (a) support a political campaign, (b) support or attempt to influence any government legislation, except making available the results of non-partisan analysis, study or research, or (c) grant an award to another party or for any purpose other than one specified in Section 170(c)(2)(b) of the Internal Revenue Code of 1986 as amended.
- 3. Term of Grant.** The grant period is from December 18, 2023 through March 31, 2025 (the "grant period"). Grantee shall fulfill all outlined grantee activities/deliverables/outcomes on or before the end of the grant period.



4. **Return of Incentive Funds.** The Health Plan reserves the right to discontinue, modify or withhold payments to be made under this Agreement or to require a total or partial return of any funds, including any unexpended funds under the following conditions: (i) if the Health Plan, in its sole discretion, determines that the Grantee has not performed in accordance with this Agreement or has failed to comply with any term or condition of this Agreement; (ii) if Grantee loses its status as an eligible Grantee under Paragraph 1 above; (iii) if Grantee fails to complete and/or achieve the specified grantee activities/deliverables/outcomes outlined in Exhibit A; or (iv) such action is necessary to comply with the requirements of any law or regulation applicable to Grantee or to the Health Plan or to this Incentive. Notwithstanding the foregoing, this provision shall not apply to any funds that were expended prior to March 29, 2024.

5. **Reports, Records, Audits and Site Visits.** Grantee shall submit written progress report(s) to the Health Plan in accordance with the due dates stated on the Incentive Summary in Exhibit A. The Health Plan is authorized to conduct audits, including on-site audits, at any time during the term of this Incentive and within four years after completion of the Project. Grantee shall allow the Health Plan and its representatives, at its request, to have reasonable access during regular business hours to Grantee's files, records, accounts, personnel and client or other beneficiaries for the purpose of making such audits, verifications or program evaluations as the Health Plan deems necessary or appropriate concerning this Incentive. Grantee shall maintain accounting records sufficient to identify the Incentive and to whom and for what purpose such funds are expended for at least four (4) years after the Incentive has been expended.

6. **Representations.** Grantee acknowledges, represents, and agrees (i) that it acts completely independently of the Health Plan and is solely responsible for any and all activities of Grantee including without limitation those activities that are supported by the Grant, and (ii), to the fullest extent permitted by law, to defend, indemnify, and hold harmless the Health Plan, its affiliates, officers, directors, trustees, employees and agents from and against any and all claims, liabilities, losses, taxes and expenses (including reasonable attorneys' fees) arising from, or in connection with, the Project and any act or omission of Grantee, its employees, or agents, in applying for, accepting, receiving and expending the Incentive, except to the extent such loss or damage arises from the sole negligence, gross negligence, or willful misconduct of the Health Plan.

7. **Other Obligations.** Grantee acknowledges that the Grantee has no obligation to the Health Plan in consideration for the Incentive, other than to (i) publicly recognize the Health Plan as a sponsor of the Project in all public hearings, public events and media sessions, (ii) collaborate with the Health Plan to enhance public awareness of the Health Plan's sponsorship of the Project, (iii) placement of the Health Plan's name and logo and a brief description of the Health Plan's sponsorship in all relevant marketing materials, collateral, social media and similar public



communications stating that the Project was made possible through the generous support of the Health Plan, (iv) permit the Health Plan to use Grantee's name and/or logo in communications and publications (including internet, radio, television, etc.) in furtherance of the Health Plan's efforts to inform others of its connection to the Project upon review and written approval of the Grantee's City Manager or designee, and (v) provide the Health Plan with audio, visual and/or written testimonials that promote the Health Plan's connection to the Project.

**8. Independence of the Parties.** Neither the Incentive nor this Agreement shall be deemed to create any relationship of agency, partnership or joint venture between the parties, and Grantee shall make no such representation to anyone. If any portion of this Agreement is found to be illegal or invalid, it shall not invalidate the remaining portions of the document, provided the essential purposes for which each party has entered into this Agreement can still be achieved.

**9. Equal Employment Opportunity.** Grantee agrees to comply with and be bound by the nondiscrimination and affirmative action clauses contained in: Executive Order 11246, as amended, relative to equal opportunity for all persons without regard to race, color, religion, sex or national origin; the Vocational Rehabilitation Act of 1973, as amended, relative to the employment of qualified handicapped individuals without discrimination based upon their physical or mental handicaps; the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, relative to the employment of disabled veterans and veterans of the Vietnam Era, and the implementing rules and regulations prescribed by the Secretary of Labor in Title 41, Part 60 of the CFR.

**10. Immigration Act Requirements.** Grantee shall comply during the term of this Agreement with the provisions of the Immigration Reform and Control Act of 1986 and any regulations promulgated thereunder. Grantee hereby certifies that it will obtain a properly completed Employment Eligibility Certificate (INS Form I-9) for each worker prior to performing services related to the program described in Exhibit A.

**11. Entire Agreement.** This Agreement shall supersede any prior and contemporaneous oral and written understandings or communications between the parties and it constitutes the entire agreement of the parties with respect to the subject matter hereof. This Agreement may not be delegated, assigned, amended, or modified except upon the written consent of both parties hereto.

Sincerely,



Dorothy Seleski  
Senior Vice President  
Health Net

HEALTH NET, LLC

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**GRANTEE:** CITY OF REDONDO BEACH

Signature: \_\_\_\_\_

Name: James A. Light

Title: Mayor

Date: \_\_\_\_\_

ATTEST:

APPROVED:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

\_\_\_\_\_  
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney



**EXHIBIT A**  
**HOUSING AND HOMELESSNESS INCENTIVE PROGRAM FUNDING SUMMARY**

<b>INCENTIVE NUMBER:</b> [Incentive Number]	<b>DATE AUTHORIZED:</b> 4/9/2024	
<b>ORGANIZATION NAME:</b> City of Redondo Beach	<b>AMOUNT:</b> \$1,338,753	
<b>GRANT PERIOD:</b> December 18, 2023 – March 31, 2025		
<b>PROJECT CONTACT, TITLE:</b> Joy Abaquin Ford, Quality of Life Prosecutor		
<b>TELEPHONE:</b> 310-697-3056	<b>EMAIL:</b> <a href="mailto:joy.ford@redondo.org">joy.ford@redondo.org</a>	
<b>COUNTY:</b> Los Angeles		
<b>HEALTH NET INCENTIVE CONTACT:</b> Karen Richmond <b>EMAIL:</b> <a href="mailto:karen.richmond@healthnet.com">karen.richmond@healthnet.com</a>		
<b><u>HHIP INCENTIVE PURPOSE:</u></b> As designed, the DHCS Housing and Homelessness Incentive Program (HHIP) is an incentive program that aims to improve health outcomes and access to whole person care services by addressing housing insecurity and instability as a social determinant of health for the Medi-Cal population. The goals of HHIP are to: <ol style="list-style-type: none"> <li>1. Reduce and prevent homelessness; and,</li> <li>2. Ensure Medi-Cal managed care plans (MCPs) develop the necessary capacity and partnerships to connect their members to needed housing services.</li> </ol>		
<b><u>DESCRIPTION OF GRANT/INVESTMENT:</u></b> City of Redondo Beach will implement The Alternative Crisis Response (ACR) Pilot, which is designed to approach non-violent, mental, and behavioral health service calls by offering trauma-informed care, crisis de-escalation, in-person intervention and transport to immediate behavioral health services to the homeless population in Redondo Beach. Additionally, the City of Redondo Beach will prepare the site location and purchase twenty-five (25) pallet shelter units to be used for interim housing for people experiencing homelessness where they will receive wrap around services to get permanently housed.		
<b><u>HHIP MEASURES TO BE IMPACTED:</u></b> The following HHIP measures are intended to be successfully impacted/achieved by the grant. The Grantee has reviewed and understands the definitions/expectations of the intended impacted DHCS HHIP measures below:		
<b>Priority Area 1: Partnership and Capacity to Support Referrals for Services</b>	<b>Priority Area 2: Infrastructure to Coordinate and Meet Member Housing Needs</b>	<b>Priority Area 3: Delivery of Services and Member Engagement</b>

<input type="checkbox"/> 1.1 Engagement with the CoC	<input checked="" type="checkbox"/> 2.1 Connection with street medicine team ( <i>DHCS Priority Measure</i> )	<input type="checkbox"/> 3.1 Percent of MCP members screened for homelessness/risk of homelessness
<input type="checkbox"/> 1.2 Connection and Integration with the local Homeless Coordinated Entry System ( <i>DHCS Priority Measure</i> )	<input type="checkbox"/> 2.2 MCP Connection with the local Homeless Management Information System (HMIS) ( <i>DHCS Priority Measure</i> )	<input type="checkbox"/> 3.2 MCP members who were discharged from an inpatient setting or have been to the emergency department for services two or more times in a 4-month period who were screened for homelessness or risk of homelessness
<input type="checkbox"/> 1.3 Identifying and addressing barriers to providing medically appropriate and cost-effective housing-related Community Supports		<input type="checkbox"/> 3.3 MCP members experiencing homelessness who were successfully engaged in ECM
<input type="checkbox"/> 1.4 Partnerships with counties, CoC, and/or organizations that deliver housing services with whom the MCP has a data sharing agreement that allows for timely information exchange and member matching ( <i>DHCS Priority Measure</i> )		<input type="checkbox"/> 3.4 MCP members experiencing homelessness receiving at least one housing related Community Supports ( <i>DHCS Priority Measure</i> )
<input type="checkbox"/> 1.5 Data sharing agreement with county MHPs and DMC-ODS		<input checked="" type="checkbox"/> 3.5 MCP members who were successfully housed ( <i>DHCS Priority Measure</i> )
<input type="checkbox"/> 1.6 Partnerships and strategies the MCP will develop to address disparities and equity in service delivery, housing placements, and housing retention (aligns with HHAP-3)		<input type="checkbox"/> 3.6 MCP members who remained successfully housed ( <i>DHCS Priority Measure</i> )
<input type="checkbox"/> 1.7 Lessons learned from development and implementation of the Investment Plan (IP)		

**GRANT AMOUNT BREAKDOWN & DISBURSEMENT OF FUNDING**

The following table includes a breakdown of grant funding by HHIP Investment Plan activity:



HHIP Investment Plan Activity	Funding Amount	Primary HHIP Measure Impacted
Alternative Crisis Response Program	\$570,003	2.1
Pallet Shelters	\$768,750	3.5

The Health Plan will disburse the grant award in one (1) installment.

To be eligible for funding, Grantee must submit one (1) copy of Grantee’s W-9 form and such other documentation reasonably requested by the Health Plan.

The Health Plan will make the installment in the amount of \$1,338,753 within approximately ninety (90) calendar days of the receipt of Grantee’s completed Agreement.

The Health Plan shall have no obligation to provide any additional funding or incentive support to Grantee under this Agreement or for any other purpose. Grantee shall refrain from using any portion of the Incentive for costs not approved under this Agreement, including, but not limited to, the following:

- Capital campaigns;
- Endowments;
- Annual drives or fundraisers;
- Operating deficit or debt retirement;
- Services or costs previously funded by the Health Plan or other duplicative funding source with the exception of grants from Los Angeles County; or
- Direct services billable to the Health Plan, and/or other miscellaneous lines items billable to the Health Plan.

**GRANTEE ACTIVITIES/DELIVERABLES/OUTCOMES & REPORTING:**

Grantee is agreeing to work in partnership with the Health Plan on achieving/impacting the indicated HHIP measures identified above.

During grant period, Grantee will do the following:

HHIP Investment Plan Activity	GRANTEE ACTIVITIES/DELIVERABLES/OUTCOMES
Alternative Crisis Response (ACR) Pilot	<ul style="list-style-type: none"> <li>• Hire two teams (four staff total): one weekday team and one weekend team. Each team consists of two staff members (Mental Health Clinician and EMT or Substance Use Counselor). Teams will provide physical health, behavioral health, and substance use services in the community.</li> <li>• Hire one additional substance use counselor for individuals experiencing substance use and/or co-occurring disorders.</li> </ul>

	<ul style="list-style-type: none"> <li>• ACR program will respond to 150-200 (25% of total anticipated calls) non-violent crisis calls in coordination with Police and Fire in the first year.</li> <li>• Refer 130-160 individuals to various community partners, including but not limited to: social services, full-service partnerships, food pantries, adult protective services, homeless outreach, interim housing, mental health services, substance use services, and other providers).</li> <li>• ACR Teams will provide linkage to the Redondo Beach Housing Navigator and Pathway to Housing Programs.             <ul style="list-style-type: none"> <li>○ Ensure 75-100 homelessness calls are matched to case management services.</li> <li>○ With the assistance of the City's Homeless Services Team, refer 15-25 individuals to the Homeless Court Program</li> <li>○ With the assistance of the City's Homeless Services Team, shelter 20-30 individuals in temporary / interim housing (shelter, motel, single-resident occupancy)</li> <li>○ With the assistance of the City's Homeless Services Team, secure the permanent housing of 8-12 individuals.</li> </ul> </li> <li>• ACR Program will provide 125-175 follow up visits/calls using the following needs scale:             <ul style="list-style-type: none"> <li>○ 72 hours if a safety plan is conducted</li> <li>○ 1 week post-crisis</li> <li>○ 2 weeks post-crisis</li> <li>○ 30 days post crisis</li> </ul> </li> <li>• ACR program will partner with the Beach Cities Health District, community partners, and contracted service provider to evaluate and analyze program call data, expecting the number of 5150's/5585's, emergency room, and urgent care visits to trend downward by the end of the contract period.</li> <li>• Provide 75-100 "no-sharps" hygiene kits to community members</li> </ul>
Pallet Shelter	<ul style="list-style-type: none"> <li>• Purchase and deliver 25 pallet shelter units.             <ul style="list-style-type: none"> <li>○ Drawings, architectural plans to be submitted to planning, engineering, and buildings departments for safety permits.</li> <li>○ Location is graded and paved with fencing and electrical installed.</li> <li>○ Pallet shelter units ready for move in</li> </ul> </li> </ul>



- At least 20 people experiencing homelessness will move into pallet shelter units.
- At least 15 out of total 45 pallet shelter residents to be permanently housed (45 total accounts for already existing 20 pallet shelters plus the additional 25 added through Health Net’s funding).

**REPORTING REQUIREMENTS**

Grantee shall prepare and deliver the following reports to Health Net by the dates identified below.

Reporting Period	Report Due Date
1/1/2024 – 6/30/2024	8/1/2024 (progress report)
7/1/2024 – 12/31/2024	2/1/2025 (progress report)
1/1/2024 – 3/31/2025	5/1/2025 (final report)

The Health Plan may request additional reporting during the Grant Period and up to one (1) year after the expiration or termination of this Agreement.

The Health Plan may change the reporting due date based on changes or communications from DHCS’s submission timeframe. The report will document progress and provide data in accordance with the progress report template provided by the Health Plan and include any other requirements imposed by DHCS. The reporting obligations of this Article shall survive any expiration or termination of this Agreement up to one (1) year after the expiration or termination of this Agreement.

**RECOGNITION:**

Grantee agrees to place the Health Net logo, name, etc. on all related materials for the Grantee’s Project as a sponsor and/or funder for this program. The Health Plan will work with the Grantee to determine which logo (Health Net) shall be used. In addition, Health Net will be acknowledged on the Grantee’s website, media related materials and digital tools as a funding partner where appropriate as well as in relation to this program. If applicable, Health Net, will be listed as a Grantee funder at the appropriate level including but not limited to a donor wall, annual reports, newsletters, etc. Grantee agrees to submit to the Health Plan for review on the use of the logo and/or name on all materials in advance.

For the avoidance of doubt, in the event the Health Plan changes its name or logo in the future, all displays of such by Grantee shall use the then-current versions.