



Administrative Report

H.5., File # 25-1254

Meeting Date: 9/9/2025

To: MAYOR AND CITY COUNCIL

From: JOY A. FORD, CITY ATTORNEY

TITLE

APPROVE THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND CLEAR RECOVERY CENTER FOR AN ALTERNATIVE CRISIS RESPONSE TEAM FROM SEPTEMBER 10, 2025 TO SEPTEMBER 9, 2026 FOR AN AMOUNT NOT TO EXCEED \$379,000

AUTHORIZE THE CITY ATTORNEY TO EXECUTE A SUBSEQUENT "ADDITIONAL DUTIES ADDENDUM" WITH CLEAR, LIMITED TO ADMINISTRATIVE AND OPERATIONAL OBLIGATIONS OF ONE OR BOTH PARTIES WHERE SUCH DUTIES SHALL NOT OBLIGATE THE CITY TO EXPEND ADDITIONAL FUNDS, ASSUME NEW INDEMNITY OR INSURANCE OBLIGATIONS, OR OTHERWISE SHIFT RISK TO THE CITY BEYOND THE ADMINISTRATIVE AND OPERATIONAL OBLIGATIONS CONTEMPLATED BY THE MEMORANDUM OF UNDERSTANDING, AND SHALL NOT REQUIRE FURTHER CITY COUNCIL APPROVAL

EXECUTIVE SUMMARY

On September 2, 2025, the City Council and Mayor discussed the next steps to develop an Alternative Crisis Response (ACR) Program. The City Council agreed to modified terms requested by Clear Recovery Center (Clear) to develop the ACR Program. Staff recommends the City Council and Mayor approve the Memorandum of Understanding (MOU) and authorize the City Attorney to execute a subsequent "Additional Duties Addendum."

BACKGROUND

An Alternative Crisis Response (ACR) 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. Physical health, behavioral health, and substance use professionals can provide intensive whole-person healthcare services in episodes of crisis, with goals of reducing the amount of hospital and emergency room visits as well as fire and police department involvement.

Clear is a South Bay based mental health and substance abuse treatment provider that provides a full continuum of care. Their treatment is individualized, evidence-based and age specific in order to give their clients the best possible chance at long term recovery. They pride themselves on their expert clinical team who is highly skilled in the latest in evidence-based treatments and therapies. Clear has provided Homeless Court participants excellent mental health and substance abuse counseling services since 2019.

During negotiations of the terms of the MOU, Clear requested amending the City's standard indemnity term to mutual indemnity and limiting their insurance liability to \$10,000,000. The City Attorney countered with the request for mutual indemnity to limiting the City's indemnity of Clear to the City's gross negligence and willful misconduct, and requiring Clear to indemnify the City for Clear's negligence, gross negligence and willful misconduct. The MOU reflects those modifications as agreed upon by the City Council.

An additional duties addendum would further protect the city given this modified mutual indemnity. As with the City's other programs in the Enhanced Response to Homelessness such as Homeless Court and Bridge Housing, operations develop over time depending on what works and what does not work. It would not be practical to have to go to Council each time there is a change in operations. For example, certain situations may require the police to accompany the ACR team while others require the Fire Department. It would be impractical to go back to City Council every time there was a change in operations. In this case, because of the modified mutual indemnify, such changes should be documented, so staff is requesting that the City Council authorize the City Attorney to execute such a document.

COORDINATION

The City Attorney's Office coordinated with Clear and the SBCCOG in connection with the preparation of this report.

FISCAL IMPACT

Funding is available from the Health Net grant.

Submitted by:

Joy A. Ford, City Attorney

ATTACHMENTS

- Clear Memorandum of Understanding