

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 3.23  
(ID # 19682)

**MEETING DATE:**

Tuesday, August 02, 2022

**FROM :** RUHS-BEHAVIORAL HEALTH:

**SUBJECT:** Riverside University Health System- Behavioral Health: Approve the Pre-Development Agreement with PMB LLC, for services during pre-development stages for the Riverside University Health System Hemet Recovery Village, District: 3. [\$20,000,000 for FY 2022/2023, State Funding 60%, Federal Funding 40%]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the Pre-Development Agreement between the County and PMB LLC for services during the pre-development stages of the Hemet Recovery Village through January 2, 2024;
2. Authorize the Chair of the Board to approve and execute the Agreement on behalf of the County; and
3. Authorize the Behavioral Health Director, or designee, based upon the availability of funding and with form as approved by County Counsel to sign amendments that do not change the substantive terms of the Agreement.

**ACTION:**CIP, Policy

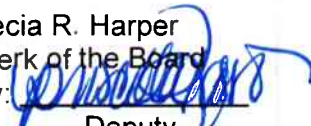
  
Amy McCann, Assistant Director of Behavioral Health 7/25/2022

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Washington, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: August 2, 2022  
xc: RUHS-Behavioral Health

Kecia R. Harper  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$15,000,000	\$5,000,000	\$20,000,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: 60% State, 40% Federal</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 22/23-23/24</b>	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On January 25, 2022 (Item 3,48), the Board of Supervisors approved in-principle, the proposed Behavioral Health Recovery Villages to serve as a safe, monitored, and therapeutic community and living space while simultaneously delivering high quality, person first, treatment for Behavioral Health. The project will increase residential treatment services, sub-acute treatment, Substance Use Disorder (SUD) treatment facilities, outpatient services, including primary care, and house the homeless population. The increased capacity will help in the department's continued efforts of closing the gaps in the Continuum of Care. The goal is to build a Recovery Village in each supervisorial district. The current proposed project, named the Hemet Recovery Village, will be located on approximately 12.1 acres of publicly-owned land in the northeast area of the City of Hemet bound by W. Menlo Avenue to the north, N. State Street to the east, W. Oakland Avenue to the south and N. Alessandro Street to the west.

RUHS-BH, in cooperation with the Project Management Office worked to issue a Request for Proposal for the project developer. Six bids were received for the Hemet Recovery Village, and PMB LLC was deemed the most responsive bidder.

RUHS-BH and the developer have initiated space programming and design meetings resulting in a proposed 430,000 square foot Recovery Village. The deal structure within this public, private partnership (P3) between the County and PMB LLC is a ground lease on publicly-owned land to the Developer, planning and construction of the project by the Developer and a long term facilities lease from the Developer back to the County for the County's occupancy of the facilities. The negotiated terms also provide that the County will own the facilities at the end of the lease term.

The Pre-Development Agreement provides assurances to the Developer that the County will reimburse any actual pre-development expenses incurred by the Developer for the due diligence, design, space planning, entitlement and any other related services should the County decide not to move forward with the project. The amount of reimbursement would be for actual proven costs paid to third parties by the Developer, not to exceed \$20 million.

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STATE OF CALIFORNIA**

RUHS-BH, County Counsel and Myers Nave, as outside counsel, are currently working to negotiate the ground lease and facilities lease agreements with the Developer and will return to the Board for consideration of those agreements no later than January 2024. This Pre-Development Agreement will automatically terminate upon approval of the ground and facilities leases.

**Impact on Residents and Businesses**

The RUHS-BH Hemet Recovery Village model will provide Riverside County residents with the means to provide these needed services to some of the county's most vulnerable populations.

**Additional Fiscal Information**

Pre-Development reimbursement would only occur if the County decided not to move forward with the proposed Hemet Recovery Village or if the Developer was unable to obtain financing for the project. Any reimbursement to the Developer would be solely for actual proven costs expended and associated with the project. Any potential reimbursement would be limited to a not to exceed amount of \$20 million.

## PRE-DEVELOPMENT AGREEMENT

This PRE-DEVELOPMENT AGREEMENT ("Agreement") is made effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2022 ("**Effective Date**"), and is made by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("**County**"), and PMB LLC, a California limited liability company ("**PMB**") (County and PMB are referred to collectively as the "**Parties**").

### RECITALS

A. County desires to construct and operate a new comprehensive, outpatient behavioral health facility (the "**Project**") on approximately 12.1 acres of land representing a portion of the block bounded by Alessandro Street, State Street, Oakland Avenue and Menlo Avenue in Hemet, California ("**Property**").

B. In February 2022 County issued a Request for Proposal for Development of a Behavioral Health Campus on the Property. The RFP describes the new Behavioral Health Campus that will include various programs within the Behavioral Health Continuum of Care model, such as: substance use disorder treatment, crisis residential treatment, mental health rehabilitation, adult residential treatment facility, adult mental health urgent care, children's mental health, urgent care, children's crisis residential treatment facility, recovery residences, permanent supportive housing apartments, adult residential facility, integrated outpatient clinics to include behavioral health, primary health care, and vocational services. The vision is to enable consumers and their families to move through the Campus' continuum of care from intensive oversight and treatment activities, to decreased therapeutic contact enabling consumers to prepare for a self-sustained recovery grounded in their own community.

C. PMB submitted a proposal for the construction of the Project on the Property dated March 14, 2022. County has selected the PMB proposal, and desires for PMB to undertake the Project, provided that mutually acceptable agreements can be negotiated and approved by the Parties.

D. PMB is a national healthcare real estate development firm with experience in the oversight and management of design, permit processing and construction of healthcare facilities.

E. County and PMB desire to discuss and negotiate certain agreements for PMB to undertake the development and financing of the Project and to thereby relieve County of the governmental burden thereof. Such agreements are anticipated to include a ground lease for the Property between County, as ground lessor, and PMB or affiliate or single purpose, to-be-formed 501(c)(3) entity (anticipated as of the Effective Date to be P3 Foundation, Inc.) ("**Ground Lessee**") as ground lessee ("**Ground Lease**"), and a facility lease(s) for the Project ("**Facility Lease**") whereby the County would sublease the Project from Ground Lessee. It is anticipated that PMB and Ground Lessee would also enter into a separate development management agreement providing for PMB to oversee and manage certain development activities for the Project ("**Development Agreement**"). The Ground Lease, Facilities Lease and Development Agreement are collectively referred herein as "**Project Agreements**".

F. PMB has proposed that financing for the Project would be obtained pursuant to the issuance of tax-exempt obligations in accordance with the provisions of Revenue Ruling 63-20 of the U.S. Treasury, as amended and updated by Revenue Procedure 82-26 of the U.S. Treasury (the "**Bonds**"). If such financing is obtained, it would be a condition to the issuance of the Bonds that the Ground Lease and the Facility Lease will set forth in more specific detail the obligations of the Parties with regard to the development and leasing of the Project. Other forms of financing may also be discussed and agreed upon by the Parties for the Project as a whole or specific components of the Project ("**Alternate Financing**"). The specific form of the financing for the Project will be discussed and determined by the Parties as part of the good faith negotiations.

G. In order to meet County's timing concerns, the County desires that PMB commence, prior to issuance of the Bonds and/or any Alternate Financing and the finalization of the Project Agreements, the performance of certain pre-development activities for the Project. PMB agrees to proceed with the performance of certain pre-development activities pursuant to the terms and conditions of this Agreement.

Now, therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, PMB and County agree as follows:

#### AGREEMENTS

1. **Good Faith Negotiation of Project Agreements.** County and PMB agree to proceed with the negotiation of the Project Agreements in good faith and with due speed and diligence. The obligation to negotiate in good faith requires the Parties to communicate with each other with respect to those issues for which agreement has not been reached, and such communication shall follow reasonable negotiation procedures, including meetings, telephone conversations, and correspondence. The Parties understand that final accord on all issues may not be reached, and agree that each Party reserves full discretion to approve or disapprove the Project Agreements that are negotiated by the Parties, and that neither Party is under any obligation to reach agreement on any of the Project Agreements.
2. **Pre-Development Services.** Prior to County and Ground Lessee agreeing upon the Project Documents, PMB shall undertake certain obligations related to the Project. PMB shall assist with and directly contract with necessary consultants for (a) the due diligence for the Project, (b) the pursuit of land use entitlements for the Project, (c) the oversight of design and other professionals for the preparation of drawings for the Project, (d) environmental site assessment for the Property for development, and (e) such other matters that PMB and County jointly determine to be necessary for the Project. Prior to authorizing any work or incurring any expenses for items (a), (b) (c), (d), and (e) above, PMB shall submit to County a description of the proposed Pre-Development Services, the identity of the provider of the services, the estimated cost of the services, and any backup information reasonably requested by the County, including the agreements with each provider containing the right for PMB to assign the contract to the County. PMB shall not undertake any such services without the prior written approval of the County, which approval shall not be unreasonably withheld or delayed. Notwithstanding the performance of such work, County shall retain all discretion with respect to the design of the Project.

3. **Pre-Development Costs.** In connection with the performance by PMB of the pre-development services for the Project as provided in Section 2 above, costs, expenses and other financial obligations will be incurred by PMB ( "**Pre-Development Costs**") pursuant to this Agreement. Without limitation, such Pre-Development Costs for the Project are anticipated to include (i) due diligence costs, (ii) application, processing, plan check and permitting costs, (iii) design fees, (iv) consultant fees, and (v) miscellaneous costs, including title and surveying expenses. Pre-Development Costs shall include only actual and reasonable out-of-pocket costs paid to third parties and shall not include any overhead costs of PMB or other employee costs. Pre-Development Costs shall not include PMB's costs related to the negotiation or preparation of this Agreement, the Project Agreements, or agreements with third parties. Pre-Development Costs shall be paid in accordance with Section 7 below; provided, however, that if the Bonds and/or Alternate Financing are issued, Pre-Development Costs may be paid from the proceeds of the Bonds and/or Alternate Financing, as a reimbursement to PMB. If the Bonds and/or Alternate Financing are not issued by the deadline set forth in Section 8 or this Agreement is terminated, then the Pre-Development Costs shall be paid by County to PMB as provided in Section 7 below.
4. **Bond and Alternate Financing.** Subject to market conditions and requirements of the County for the Project, PMB shall use its commercially reasonable efforts to cause the Project to be financed by the issuance of the Bonds through an underwriter reasonably approved by the County and/or any Alternate Financing mutually agreed to by the Parties. The Bonds and/or Alternate Financing shall be in an amount sufficient to pay for the cost of design, permitting, development and construction of the Project. The total amount of the Bonds and/or Alternate Financing to be issued, the interest rates, and relation schedule, the documents and other terms and conditions of such financing shall be subject to County approval in its reasonable discretion.
5. **Interim Reporting.** Throughout the period of this Agreement PMB will prepare monthly reports and supporting documentation for County of the amounts it has expended for Pre-Development Costs through the month prior to the date in which the report is prepared and submitted to the County. County shall have fourteen (14) calendar days from receipt to by written notice to PMB (a) approve the invoice, or (b) reasonably dispute the amounts claimed by PMB in the invoice. If County timely and reasonably disputes an amount, such notice shall contain the reason(s) for such dispute and additional documentation with respect to the invoice, if any, required by the County. Thereafter, the Parties shall endeavor diligently and in good faith to resolve any issue with respect to the amount in dispute within thirty (30) days after the date of PMB's receipt of the County's notice of disputed amount. If agreement is not reached within such thirty (30) day period, the parties will continue to try to resolve such dispute; provided, however, that in addition to any other rights or remedies available to PMB hereunder, PMB shall be entitled to suspend performance of the services with respect to the subcontract related to the invoice or amounts in dispute until such dispute is resolved, and such suspension shall not be deemed to be a default by PMB hereunder.
6. **Termination.** County may at any time, in its sole discretion, upon 10 days' written notice to PMB, terminate this Agreement. This Agreement shall terminate automatically upon the effective date of the Ground Lease and Facility Lease. Said agreements are anticipated



to be presented to the Board of Supervisors for consideration on or before January 2, 2024. On written request by PMB, the County shall provide written assurance within thirty (30) calendar days that it is proceeding in good faith with the development of the Project. If County fails to provide written assurance that it is proceeding with the Project and PMB reasonably believes that County has abandoned the Project, then PMB shall have the right to terminate this Agreement and the repayment provisions of Section 7 shall apply.

7. **Payment of Costs And Other Actions Upon Termination of this Agreement.** In the event of termination of this Agreement for a reason other than the approval of the Ground Lease and Facility Lease, following County's satisfaction of its payment obligation set forth in this Section 7, PMB shall assign to County and the County shall assume any agreements entered into by PMB in connection with the Project prior to such termination that County elects in its sole discretion to assume (each, an "Assumed Agreement"), together with any rights PMB may have with respect to any work product or permits generated in connection with the Project under the Assumed Agreement. PMB shall obtain and provide to County signed consents from each of the consultants under each of the Assigned Agreements pursuant to which the applicable subconsultant consents to the assignment of the Assigned Agreement and authorizes the County to assume PMB's ownership of and use of any work product under the Assumed Agreement assuming and PMB's rights to any and all of the work product for the Project under the Assumed Agreement. County shall be permitted to grant, license, or otherwise dispose of said work product assumed under an Assumed Agreement to any person or entity for development of the Project or any other purpose, subject in each case to the terms of the applicable Assumed Agreement. For a period of three (3) years following the date of termination, PMB shall indemnify, protect, defend and hold harmless County and its elected officials, officers, employees, representatives, members, agents from and against any claim made by the consultant under an Assumed Agreement contesting the validity of the assignment of the Assumed Agreement and the County's ownership or use of such work product, if any, under the Assumed Agreement pursuant to such assignment, in all cases subject to the terms of such Assumed Agreement.

Any agreements which County elects not to assume shall be terminated by PMB. In the event of a termination of this Agreement, then within 60 days following submission of an invoice therefor, County shall reimburse PMB for any actual and reasonable Pre-Development Costs incurred by PMB which have been paid to third parties and reviewed and approved according to the process outlined in Section 5 above. In the event that this Agreement terminates upon the effective date of the Ground Lease and Facility Lease Agreement, the Pre-Development Costs shall be paid as directed by the Project Agreements. This Section 7 shall survive any termination of this Agreement.

8. **Maximum Cost.** Maximum reimbursement payable for Pre-Development Costs under this Agreement to PMB by COUNTY shall not exceed twenty million dollars (\$20,000,000).
9. **Termination Upon Failure to Close Bond or Alternate Financing.** If, despite the good faith efforts of PMB and County, PMB is unable to cause the issuance of the Bonds or arrange for Alternate Financing and/or the Parties fail to enter into the Project Agreements by October 1, 2023 (or such other date as may be agreed in writing by the Parties), this Agreement shall automatically terminate and the provisions of Section 7 shall apply.
10. **Breach; Remedy.** In the event any Party defaults or fails to perform its obligations here

under, the aggrieved Party may seek any and all remedies available at law or in equity; provided that in no event shall any Party have the right, and the Parties expressly waive the right, to seek consequential damages, punitive damages and lost profits from the other Party.

## **11. Miscellaneous.**

11.1. **Governing Law.** This Agreement shall be construed according to laws of the state of California. Any claim or dispute arising out of this Agreement shall be brought in the courts of the County of Riverside.

11.2. **Full Information.** County shall provide full information regarding the requirements for the Project, and Ground Lessee and PMB may rely on accuracy and completeness of any information provided.

11.3. **Counterpart Signatures.** Each Party hereto and their respective successors and assigns shall be authorized to rely upon signatures of each person and entity on this Agreement which are delivered by facsimile or PDF as constituting a duly authorized irrevocable, actual delivery of this Agreement with original ink signatures of each person and entity.

11.4. **Approval of Supervisors.** This Agreement shall not be binding or effective until its approval and execution by the Riverside County Board of Supervisors.

11.5. **Third-Party Rights.** Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies.

11.6. **No Pre-Commitment by County.** By its execution of this Agreement, until such time as one or more Project Agreements are agreed to and executed by the Parties, County is not committing itself to or agreeing to undertake any activity requiring the subsequent exercise of discretion by the County, or any department thereof including, but not limited to, the approval of an alternative project; the proposal, amendment, or approval of any land use regulation governing the Property; the provision of any financial assistance for the development of any public or private interest in real property; the acquisition of real property; or any other such activity. County retains the absolute sole discretion to (i) modify the transaction, create and enter into transactional documents, and modify the Project as may, in its sole discretion, be necessary to comply with CEQA, (ii) select other feasible alternatives to avoid significant environmental impacts, (iii) balance the benefits of the Project against any significant environmental impacts prior to taking final action if such significant impacts cannot otherwise be avoided, and/or (iv) determine not to proceed with the Project. Except as otherwise expressly set forth herein, no legal obligations will exist unless and until the Parties have negotiated, executed and delivered mutually acceptable agreements based upon information produced from the CEQA environmental review process and on other public review and hearing processes, subject to all applicable governmental approvals. In the event that additional time is required for either or both Parties to comply with the requirements of CEQA, the times for performance hereunder



shall be extended as necessary.

11.7. **No Property Disposition Required.** This Agreement does not constitute a disposition of property or exercise of control over property by County and does not require a public hearing.

11.8. **[Intentionally Deleted].**

11.9. **Insurance.** Without limiting or diminishing PMB's obligation to indemnify or hold the COUNTY harmless, PMB shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

**a. Workers' Compensation:** If PMB has employees as defined by the State of California, PMB shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside. Policy shall name the COUNTY as Additional Insureds.

**b. Commercial General Liability:** Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of PMB's performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

**c. Vehicle Liability:** If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then PMB shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

**d. Professional Liability:** PMB shall maintain Professional Liability Insurance providing coverage for PMB's performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If PMB's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this

Agreement and PMB shall purchase at its sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that PMB has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows. Policy shall name the COUNTY as Additional Insureds.

**e. Insurance Requirements for Aviation Services Including Unmanned Aircraft (Drones):** Coverage shall be at least as broad as: Aviation Liability Insurance on an "occurrence" basis, including products and completed operations, property damage, bodily injury with limits no less than \$1,000,000 per occurrence, and \$2,000,000 in the aggregate. This coverage may also be provided by endorsement to a Commercial General Liability policy. In that event then: Commercial General Liability: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

If the Owner/Operator maintains broader coverage and/or higher limits than the minimums shown above, the COUNTY requires and shall be entitled to the broader coverage and/or higher limits maintained by the Owner/Operator. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County. Policy shall name the COUNTY as Additional Insureds.

**f. General Insurance Provisions - All lines:**

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The PMB must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, PMB's carriers shall either; (a) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or (b) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) PMB shall cause PMB's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If PMB insurance carrier(s) policies does not meet the minimum notice requirement found herein, PMB shall cause PMB's insurance carrier(s) to furnish a 30-day Notice of Cancellation Endorsement.

4) In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. PMB shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance. It is understood and agreed to by the parties hereto that the PMB's insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Management's reasonable judgment, the amount or type of insurance carried by the PMB has become inadequate.

5) PMB shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

6) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

7) PMB agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement

11.10. ***Notices, Demands and Communications Between the Parties.*** Formal notices, demands, and communications between County and PMB shall be given either by (i) personal service, (ii) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (iii) or by mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to:

To County:

Behavioral Health  
Administration Office  
4095 County Circle Dr.  
Riverside, CA 92503  
Attention: Melissa Noone

To PMB:

PMB LLC  
3394 Carmel Mountain Road  
Suite 200  
San Diego, CA 92121  
Attention: Legal Department

Notices personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices mailed in the manner provided above shall be deemed effective on the second business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as either Party may from time to time designate by mail.

11.11. ***Nonliability of Officials and Employees.*** No member, official, employee, consultant, attorney or contractor of County shall be personally liable to PMB in the event of any default or breach by County or for any amount, which may become due to PMB or on any obligations under the terms of the Agreement.

11.12. ***Entire Agreement, Waivers, and Amendments.*** This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations or previous agreements ***between*** the Parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Party to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of County and PMB.

11.13. ***Successors.*** PMB may not assign this Agreement without prior written approval of County except that nothing in this Section shall prohibit PMB from assigning or granting a lien on PMB's rights to repayment of the Pre-Development Costs for the purposes of

collateral security. This Agreement shall be binding upon and shall inure to the benefit of the permitted successors of each of the Parties hereto.

11.14. ***Time is of the Essence.*** Time is of the essence for each of the Parties' obligations under this Agreement.

11.15. ***Nondiscrimination.*** There shall be no discrimination on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or veteran or military status in the hiring, firing, promoting or demoting of any person engaged in any services with respect to the Project, and PMB shall direct its contractors and subcontractors to refrain from discrimination on such basis.

***(Signatures Follow on Next Page)***

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By: 

Name: Jeff Hewitt

Title: Chair, Board of Supervisors

Date: AUG 02 2022

PMB LLC, a California Limited  
Liability Company

By: 

Name: Mark Toothacre

Title: President

Date: 7-26-2022

**ATTEST:**

Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

**APPROVED AS TO FORM:**

County Counsel

By:   
Martha Ann Knutson (Jul 26, 2022 17:43 PDT)

Name: Martha Ann Knutson

Title: Deputy County Counsel

Date: Jul 26, 2022




# PMB Predevelopment Agreement - PMB Comments 220726


Final Audit Report


2022-07-27


Created:	2022-07-27
By:	Jose Curiel (jo.curiel@ruhealth.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAX01XK-ItalZ2X1WoYpyoL06-hBm7u3DO


## "PMB Predevelopment Agreement - PMB Comments 220726" History


 Document created by Jose Curiel (jo.curiel@ruhealth.org)  
2022-07-27 - 0:41:11 AM GMT

 Document emailed to mknutson@rivco.org for signature  
2022-07-27 - 0:42:02 AM GMT

 Email viewed by mknutson@rivco.org  
2022-07-27 - 0:42:34 AM GMT

 Signer mknutson@rivco.org entered name at signing as Martha Ann Knutson  
2022-07-27 - 0:43:15 AM GMT

 Document e-signed by Martha Ann Knutson (mknutson@rivco.org)  
Signature Date: 2022-07-27 - 0:43:16 AM GMT - Time Source: server

 Agreement completed.  
2022-07-27 - 0:43:16 AM GMT