



Date: April 23, 2019  
To: Board of Directors  
Subject: Las Palmas Medical Plaza Marketing Proposal and Lease Listing Agreement with Coldwell Banker Commercial

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**Staff Recommendation:** Consideration to approve a Lease Listing Agreement the services of Coldwell Banker Commercial to market and advertise the vacant suites at the Las Palmas Medical Plaza

**Background:**

- The Las Palmas Medical Plaza currently has three vacant suites with square footage equaling 6.3% of the total property
- Robert Wenthold, the Vice President of CBC Lyle & Associates, has extensive experience in commercial real estate in Palm Springs and has worked with Desert Healthcare District in the past in bringing the Las Palmas Medical Plaza to full occupancy
- At the April 9, 2019 F&A Committee meeting, the Committee recommended forwarding to the Board for approval.
- Staff recommends engaging the services of Robert Wenthold at Coldwell Banker Commercial to market and advertise the vacant suites at the Las Palmas Medical Plaza
- Included in the packet is a Proposal and Lease Listing Agreement for Coldwell Banker Commercial for your review and consideration

**Fiscal Impact:**

6% Commission on gross base rent for lease duration, due upon execution of lease

Example: A 1,024 square foot suite is leased for five years for \$1.50/square foot (excluding CAMs) with a 3% base rent increase every year. Commission due would be approximately \$6,000

The FY18-19 Annual Budget includes LPMP Marketing budget of \$17,500



**EXCLUSIVE RIGHT TO REPRESENT OWNER  
FOR SALE OR LEASE OF REAL PROPERTY**  
(Non-Residential)

**1. BASIC PROVISIONS ("BASIC PROVISIONS").**

1.1 **Parties:** This agency Agreement ("**Agreement**"), dated for reference purposes only April 4, 2019, is made by and between Desert Healthcare District, whose address is 1140 N. Indian Canyon Drive, Palm Springs, CA 92262, telephone number (760) 323-6113, Fax No. \_\_\_\_\_ ("**Owner**"), and Coldwell Banker Commercial Lyle & Associates, whose address is 78000 Fred Waring Drive, #200, Palm Desert, CA 92211, telephone number (760) 772-6400, Fax No. (760) 772-6499, ("**Agent**").

1.2 **Property/Premises:** The real property, or a portion thereof, which is the subject of this Agreement is commonly known as (street address, city, state, zip) 555 E. Tachevah Drive, Palm Springs, CA 92262, located in the County of Riverside, and generally described as (describe briefly the nature of the property): a Multi Building, Multi-Tenant commercial property consisting of six (6) two-story buildings, totaling approximately 60,000 SF ("**Property**"). (See also Paragraph 3).

1.3 **Term of Agreement:** The term of this Agreement shall commence on May 1, 2019 and expire at 5:00 p.m. on October 31, 2019, except as it may be extended ("**Term**"). (See also paragraph 4)

1.4 **Transaction:** The nature of the transaction concerning the Property for which Agent is employed ("**Transaction**") is (check the appropriate box(es)):

(a) ☐ A sale for the following sale price and terms: \_\_\_\_\_ and other additional standard terms reasonably similar to those contained in the "STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS FOR THE PURCHASE OF REAL ESTATE" published BY AIR CRE ("**AIR**"), or for such other price and terms agreeable to Owner;

(b) ☒ A lease or other tenancy for the following rent and terms: Any available spaces to be leased according to all terms and conditions acceptable to Owner and other additional standard terms reasonably similar to those contained in the appropriate AIR lease form or for such other rent and terms agreeable to Owner.

**2. EXCLUSIVE EMPLOYMENT AND RIGHTS.**

2.1 Owner hereby employs Agent as Owner's sole and exclusive agent to represent Owner in the Transaction and to find buyers or lessees/tenants ("**lessees**"), as the case may be, for the Property. Agent shall use reasonably diligent efforts to find such buyers or lessees. All negotiations and discussions for a Transaction shall be conducted by Agent on behalf of Owner. Owner shall promptly disclose and refer to Agent all written or oral inquiries or contacts received by Owner from any source regarding a possible Transaction.

2.2 Owner authorizes Agent to:

(a) Place advertising signs on the Property;  
(b) Place a lock box on the Property if vacant;  
(c) Accept deposits from potential buyers or lessees, and  
(d) Distribute information regarding the Property to participants in THE MULTIPLE ("**MULTIPLE**") of the AIR and/or any other appropriate local commercial multiple listing service, to other brokers, and to potential buyers or lessees of the Property. Owner shall identify as "confidential" any information provided to Agent that Owner considers confidential and does not want disclosed. All other information provided by Owner may be disclosed as Agent may deem appropriate or necessary. After consummation of a Transaction, Agent may publicize the terms of such Transaction.

2.3 Agent shall comply with the Rules of Professional Conduct of the AIR, if a member or if not, the Rules of Professional Conduct of the Society of Industrial and Office Realtors, and shall submit the Property to the MULTIPLE. Agent shall cooperate with participants in the MULTIPLE and may, at Agent's election, cooperate with other real estate brokers (collectively "**Cooperating Broker**").

2.4 If the Transaction is a sale and Agent finds a prospective buyer for the Property, or if If the Transaction is a lease and Agent finds a prospective lessee for the Property, Owner hereby authorizes Agent also to represent and act as the agent for such buyer or lessee, and Owner consents to such dual agency. If a Cooperating Broker finds such a buyer or lessee, then Agent shall act as agent for Owner only, the Cooperating Broker shall act as agent for the buyer or lessee only, and the Cooperating Broker shall not be Owner's agent, even though the Cooperating Broker may share in the commission paid by Owner to Agent. A Cooperating Broker shall not be an agent or subagent of Owner or Agent.

2.5 Owner agrees that Agent may, during the ordinary and normal course of marketing the Property, respond to inquiries on the Property by showing and providing information on the Property, as well as on other competing properties, to prospective buyers and lessees and that such activities may result in the payment of a commission to Agent by a third party. Owner understands that Agent may also represent other lessors/sellers with competing properties.

**3. PROPERTY.**

3.1 The term "Property" shall include all of the following which are currently located on the Property and owned by Owner: permanent improvements, electrical distribution systems (power panels, buss ducting, conduits, disconnects, lighting fixtures, etc.), telephone distribution systems (lines, jacks and connections), space heaters, air conditioning equipment, air lines, carpets, window coverings, wall coverings, partitions, doors, suspended ceilings, built-ins such as cabinets, and None (if there are no additional items write "NONE"). If the Transaction is a sale, the term "Property" shall additionally include, to the extent owned by Owner, oil and mineral rights, leases and other agreements which will continue in effect after Owner's transfer of title to the Property.

3.2 Within five business days after the commencement of the Term hereof, Owner shall provide Agent with the following:

- (a) A duly completed and fully executed Property Information Sheet on the most current form published by the AIR;  
(b) Copies of all leases, subleases, rental agreements, option rights, rights of first refusal, rights of first offer, or other

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documents containing any other limitations on Owner's right, ability and capacity to consummate a Transaction, and

(c) If available to Owner, copies of building plans, and if the Transaction is a sale, title reports, boundary surveys, and existing notes and trust deeds which will continue to affect the Property after consummation of a sale.

3.3 Agent shall have no responsibility for maintenance, repair, replacement, operation, or security of the Property, all of which shall be Owner's sole responsibility. Unless caused by Agent's gross negligence, Agent shall not be liable for any loss, damage, or injury to the person or property of Owner, any lessees of the Property, any buyer, prospective buyer, lessee, or prospective lessee, including, but not limited to, those which may occur as a result of Agent's use of a lock box.

4. **EXTENSION OF TERM.** If the Transaction is a sale, and a sale is not consummated for any reason after Owner accepts an offer to purchase the Property ("**Sale Agreement**"), then the expiration date of the Term of this Agreement shall be extended by the number of days that elapsed between the date Owner entered into the Sale Agreement and the later of the date on which the Sale Agreement is terminated or the date Owner is able to convey title to a new buyer free and clear of any claims by the prior buyer of the Property; provided, however, in no event shall the Term be so extended beyond one year from the date the Term would have otherwise expired.

Unless specifically terminated on the termination date identified herein, this agreement shall continue in full force and effect on a month-to-month basis from and after the termination date until terminated on thirty (30) days written notice by either party.

#### 5. COMMISSION.

5.1 Owner shall pay Agent a commission ☐ in the amount of \_\_\_\_\_ ☒ in accordance with the commission schedule attached hereto ("**Agreed Commission**"), for a Transaction, whether such Transaction is consummated as a result of the efforts of Agent, Owner, or some other person or entity. Agent shall also be entitled to the Agreed Commission if any of the Owner's representations and warranties described in paragraph 8 are shown to be false. Such Agreed Commission is payable:

(a) If the Transaction is a sale, (i) the Property is sold; (ii) Owner breaches or repudiates any Sale Agreement, escrow instructions or other documents executed by Owner regarding the sale of the Property; (iii) the Property or any interest therein is voluntarily or involuntarily sold, conveyed, contributed or transferred; (iv) the Property or any interest therein is taken under the power of Eminent Domain or sold under threat of condemnation, or (v) if Owner is a partnership, joint venture, limited liability company, corporation, trust or other entity, and any interest in Owner is voluntarily or involuntarily sold, contributed, conveyed or transferred to another person or entity that, as of the date hereof, does not have any ownership interest in Owner;

(b) If the Transaction is a lease and a lease of the Property, or a portion thereof is executed; or

(c) If Owner (i) removes or withdraws the Property from a Transaction or the market; (ii) acts as if the Property is not available for a Transaction; (iii) treats the Property as not available for a Transaction; (iv) breaches, terminates, cancels or repudiates this Agreement; (v) renders the Property unmarketable; or (vi) changes the status of the Property's title, leases, agreements, physical condition or other aspects thereof, which such change adversely impacts the value, use, desirability or marketability of the Property.

(d) If earnest money or similar deposits made by a prospective purchaser or tenant are forfeited Agent shall be entitled to one-half (1/2) thereof, but not to exceed the total amount of the commission that would have been payable had the sale or lease transaction been consummated.

5.2 If the Transaction is a sale, the purchase agreement and/or escrow instructions to be entered into by and between Owner and a buyer of the Property shall provide that:

(a) Owner irrevocably instructs the escrow holder to pay from Owner's proceeds accruing to the account of Owner at the close of escrow the Agreed Commission to Agent;

(b) A contingency to the consummation of the sale shall be the payment of the Agreed Commission to Agent at or prior to close of the escrow; and

(c) No change shall be made by Owner or buyer with respect to the time of, amount of, or the conditions to payment of the Agreed Commission, without Agent's written consent.

6. **ALTERNATIVE TRANSACTION.** If the Transaction changes to any other transaction, including, but not limited to, a sale, exchange, option to buy, right of first refusal, ground lease, lease, sublease or assignment of lease (collectively "**Alternative Transaction**"), then Agent shall automatically be Owner's sole and exclusive Agent for such Alternative Transaction and represent Owner in such Alternative Transaction, under the terms and conditions of this Agreement. If, during the Term hereof, an Alternative Transaction is entered into, then Owner shall pay Agent the Agreed Commission.

#### 7. EXCLUDED AND REGISTERED PERSONS.

7.1 Owner shall, within 5 business days after the date hereof, provide Agent, in writing, with the names of those persons or entities registered with Owner by any other broker under any prior agreement concerning the Property ("**Excluded Persons**", see paragraph 7.5). Owner shall also specify for each Excluded Person the type of transaction the consummation of which during the Term of this Agreement entitles such other broker to any compensation ("**Excluded Transaction**"). Agent may within 10 days of receiving such written list, either (a) accept the Excluded Persons and Excluded Transactions, (b) cancel this Agreement, or (c) attempt to renegotiate this portion of the Agreement with Owner. Once accepted by Agent, the written list shall automatically become an exhibit to this Agreement. If Owner timely provides Agent with the names of the Excluded Persons and specifies the Excluded Transaction for each Excluded Person, then the Agreed Commission paid to Agent with respect to consummation of such an Excluded Transaction with an Excluded Person shall be limited as follows: if such Excluded Transaction is concluded within the first 30 days of the commencement of the Term hereof, then Agent shall be paid a commission equal to the reasonable out-of-pocket expenses incurred by Agent in the marketing of the Property during said 30 days; or if such Excluded Transaction is concluded during the remainder of the Term hereof, then Agent shall be entitled to a commission equal to one-half of the Agreed Commission. If the specified information concerning Excluded Persons and Transactions is not provided as set forth herein, then it shall be conclusively deemed that there are no Excluded Persons.

7.2 Agent shall, within 5 business days after the expiration of the Term hereof, provide Owner, in writing, with the name of those persons or entities with whom Agent either directly or through another broker had negotiated during the Term hereof ("**Registered Persons**", see paragraph 7.5), and specify the type of transaction of the Property for which such negotiations were conducted ("**Registered Transaction**"). Those persons or entities who submitted written offers or letters of intent shall, however, automatically be deemed to be Registered Persons for the type of transaction which was the subject of such offer or letter of intent. If Agent fails to timely notify Owner of the existence of any other Registered Persons, then it shall be conclusively deemed that there

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are no other Registered Persons. A person or entity shall not be a Registered Person if Agent fails to timely specify a Registered Transaction for such person or entity. The parties are aware that the registration of certain individuals and/or entities might create a Dual Agency, and Owner hereby consents to any such Dual Agency.

7.3 If, within 180 days after the expiration of the Term hereof, Owner enters into a contract with a Registered Person for consummation of a Registered Transaction, then Owner shall, upon consummation of such Registered Transaction, pay Agent the Agreed Commission for the Registered Transaction.

7.4 If, within 180 days after the expiration of the Term hereof, Owner enters into another owner-agency or listing agreement with a broker other than Agent for any transaction concerning the Property, then Owner shall provide to Owner's new broker the names of the Registered Persons and the Registered Transaction for each Registered Person, and provide in such new agreement that the new broker shall not be entitled to receive any of the compensation payable to Agent hereunder for consummation of a Registered Transaction with a Registered Person.

7.5 In order to qualify to be an Excluded Person or a Registered Person the individual or entity must have: toured the Property, submitted a letter of interest or intent, and/or made an offer to buy or lease the Property. In addition, Excluded Persons may only be registered by a broker who previously had a valid listing agreement covering the Property, and such broker may only register individuals and entities actually procured by such listing broker.

## 8. OWNER'S REPRESENTATIONS.

Owner represents and warrants that:

- (a) Each person executing this Agreement on behalf of Owner has the full right, power and authority to execute this Agreement as or on behalf of Owner;
- (b) Owner owns the Property and/or has the full right, power and authority to execute this Agreement and to consummate a Transaction as provided herein, and to perform Owner's obligations hereunder;
- (c) Neither Owner nor the Property is the subject of a bankruptcy, insolvency, probate or conservatorship proceeding;
- (d) Owner has no notice or knowledge that any lessee or sublessee of the Property, if any, is the subject of a bankruptcy or insolvency proceeding;
- (e) There are no effective, valid or enforceable option rights, rights of first refusal, rights of first offer or any other restrictions, impediments or limitations on Owner's right, ability and capacity to consummate a Transaction, except as disclosed in writing pursuant to Paragraph 3.2(b).
- (f) That as of the date of this Agreement the asking sales price is not less than the total of all monetary encumbrances on the Property.

9. **OWNER'S ACKNOWLEDGMENTS.** Owner acknowledges that it has been advised by Agent to consult and retain experts to advise and represent it concerning the legal and tax effects of this Agreement and consummation of a Transaction or Alternative Transaction, as well as the condition and/or legality of the Property, including, but not limited to, the Property's improvements, equipment, soil, tenancies, title and environmental aspects. Agent shall have no obligation to investigate any such matters unless expressly otherwise agreed to in writing by Owner and Agent. Owner further acknowledges that in determining the financial soundness of any prospective buyer, lessee or security offered, Owner will rely solely upon Owner's own investigation, notwithstanding Agent's assistance in gathering such information.

## 10. MISCELLANEOUS.

10.1 This Agreement shall not be construed either for or against Owner or Agent, but shall be interpreted, construed and enforced in accordance with the mutual intent of the parties ascertainable from the language of this Agreement.

10.2 All payments by Owner to Agent shall be made in lawful United States currency. If Owner fails to pay to Agent any amount when due under this Agreement, then such amount shall bear interest at the rate of 15% per annum or the maximum rate allowed by law, whichever is less.

10.3 In the event of litigation or arbitration between Owner and Agent arising under or relating to this Agreement or the Property, the prevailing party shall be paid its attorney's fees and costs by the losing party. The term, "Prevailing Party" shall include, without limitation, one who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense. The attorney's fees award shall not be computed in accordance with any court fee schedule, but shall be in an amount to fully reimburse all attorney's fees reasonably incurred in good faith.

10.4 Owner agrees to indemnify, defend (with counsel reasonably acceptable to Agent), and hold Agent harmless from and against any claim or liability asserted against Agent as a result of the failure of Owner to make a full and complete disclosure pursuant to law and paragraph 3.2(a) or as a result of the fact that any of the representations made by Owner (see paragraph 8) were not true at the time that this Agreement was signed.

10.5 Owner hereby releases and relieves Agent, and waives Owner's entire right of recovery against Agent, for direct or consequential loss or damage arising out of or incident to the perils covered by insurance carried by Owner, whether or not due to the negligence of Agent.

10.6 In the event that the Transaction is not an outright sale, Owner agrees that if Agent is not paid the Agreed Commission provided for herein within thirty days of the date due, that Agent shall have a lien in the amount of such commission, and may record a notice of such lien, against the Property.

10.7 Owner agrees that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to the services to be performed by Agent pursuant to this Agreement may be brought against Agent more than one year after the expiration of the Term of this Agreement (see paragraph 1.3) and that the liability (including court costs and attorney's fees) of Agent with respect to any such lawsuit and/or legal proceeding shall not exceed any fee received by Agent pursuant to this Agreement; provided, however, that the foregoing limitation on liability shall not be applicable to any gross negligence or willful misconduct of Agent.

## 11. ARBITRATION OF DISPUTES.

11.1 ANY CONTROVERSY ARISING UNDER OR RELATING TO THIS AGREEMENT SHALL BE DETERMINED BY BINDING ARBITRATION TO BE CONDUCTED BY: ☒ THE AMERICAN ARBITRATION ASSOCIATION OR ☐ USING THE COMMERCIAL RULES ESTABLISHED BY SUCH ORGANIZATION OR IF NONE THE AMERICAN ARBITRATION ASSOCIATION'S COMMERCIAL RULES. ARBITRATION HEARINGS SHALL BE HELD IN THE COUNTY WHERE THE PROPERTY IS LOCATED.

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11.2 NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

11.3 WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION:

\_\_\_\_\_  
Owner's Initials

\_\_\_\_\_  
Agent's Initials

11.4 THE PROVISIONS OF THE ABOVE ARBITRATION CLAUSE SHALL NOT BE BINDING ON EITHER PARTY UNLESS BOTH PARTIES HAVE PLACED THEIR INITIALS UNDER PARAGRAPH 11.3.

12. **Additional Provisions:** Additional provisions of this Agreement are set forth in the following blank lines or in an addendum attached hereto and made a part hereof consisting of paragraphs None through None (if there are no additional provisions write "NONE");

13. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.** When entering into an agreement with a real estate agent an Owner should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction.

(i) **Owner's Agent.** An Owner's agent may act as an agent for the Owner only. An Owner's agent or subagent has the following affirmative obligations: To the Owner: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings. To a potential buyer/lessee and the Owner: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Agent Representing Both Parties.** A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both Parties in a transaction, but only with the knowledge and consent of the Parties. In a dual agency situation, the agent has the following affirmative obligations to both Parties: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Party. b. Other duties to the Owner as stated above in subparagraph (i). When representing both Parties, an agent may not without the express permission of the respective Party, disclose to the other Party that the Owner will accept rent/purchase price in an amount less than that indicated in the listing or that the buyer/lessee is willing to pay a higher rent/purchase price than that offered.

The above duties of the Agent do not relieve Owner from the responsibility to protect its own interests. Owner should carefully read all agreements to assure that they adequately express its understanding of the transaction.

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

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

**OWNER**

**AGENT**

Desert Healthcare District

Coldwell Banker Commercial Lyle & Associates

By: \_\_\_\_\_

By: \_\_\_\_\_

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

Name Printed: Rob Wenthold

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

Title: Vice President

Agent DRE License #: 01153834

Address: 78000 Fred Waring Dr., #200, Palm Desert, CA 92211

Phone: (760) 772-6400

Fax: (760) 772-6499

Email: rwenthold@dc.rr.com

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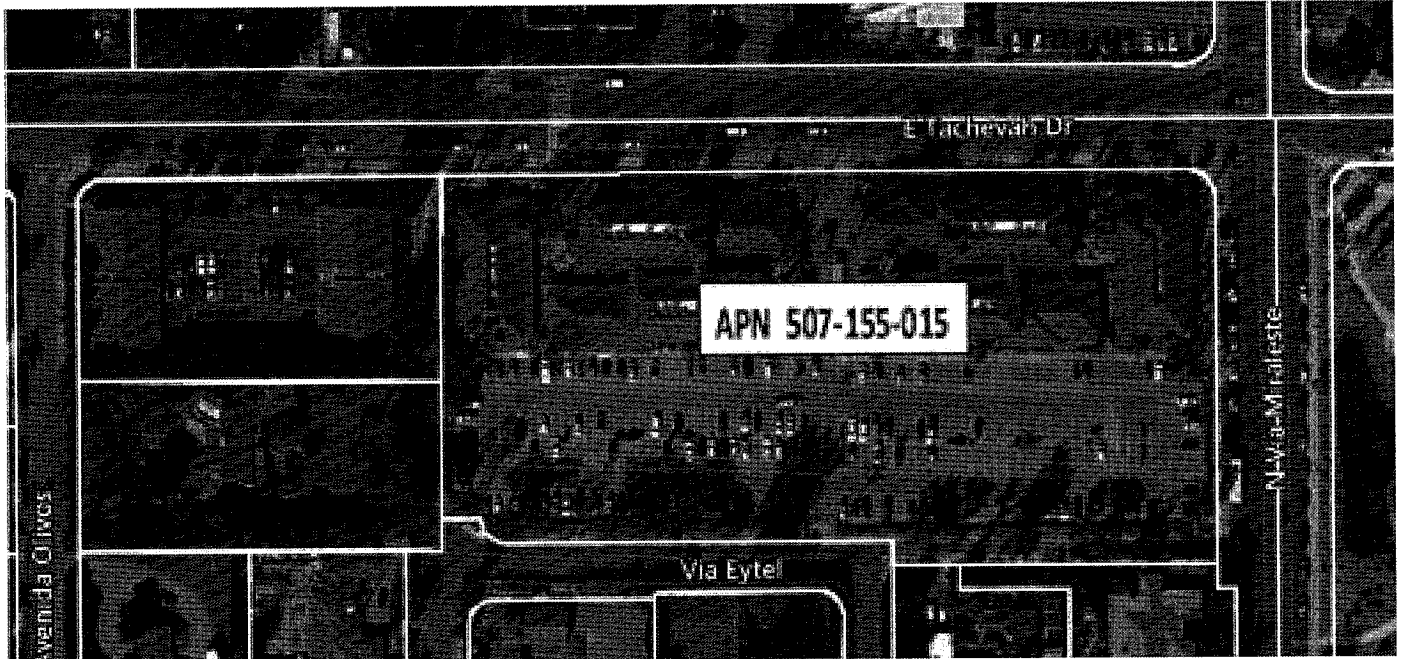
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**EXHIBIT "A"**  
**TO EXCLUSIVE RIGHT TO REPRESENT OWNER**  
**FOR LEASE OF REAL PROPERTY**

**PROPERTY: 555 E. TACHEVAL DRIVE, PALM SPRINGS, CA 92262**

**APN: 507-155-015**

**OWNER: DESERT HEALTHCARE DISTRICT**



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## DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

### SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

### BUYER'S AGENT

A Buyer's agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

### AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more salesperson and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

### SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role. The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation. Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).**

☐ Buyer ☐ Seller ☒ Lessor ☐ Lessee \_\_\_\_\_ Date: \_\_\_\_\_  
☐ Buyer ☐ Seller ☐ Lessor ☐ Lessee \_\_\_\_\_ Date: \_\_\_\_\_

Agent: Coldwell Banker Commercial Lyle & Associates DRE Lic. #: 01462012  
Real Estate Broker (Firm)

By Rob Wenthold DRE Lic. #: 01153834 Date: \_\_\_\_\_  
\_\_\_\_\_  
(Salesperson or Broker-Associate)

THIS FORM HAS BEEN PREPARED BY AIR CRE. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF THIS

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**DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP**  
**CIVIL CODE SECTIONS 2079.13 THROUGH 2079.24 (2079.16 APPEARS ON THE FRONT)**

**2079.13.** As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. (b) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee of real property. (c) "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. (d) "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. (e) "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. (f) "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. (g) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. (h) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (i) "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. (j) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (k) "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. (l) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (m) "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. (n) "Buyer's agent" means an agent who represents a buyer in a real property transaction.

**2079.14.** A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and shall obtain a signed acknowledgment of receipt from that seller and buyer, except as provided in Section 2079.15, as follows: (a) The seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The buyer's agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving the offer to purchase from the buyer.

**2079.15.** In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent shall set forth, sign, and date a written declaration of the facts of the refusal.

**2079.16** Reproduced on Page 1 of this AD form.

**2079.17(a)** As soon as practicable, the buyer's agent shall disclose to the buyer and seller whether the agent is acting in the real property transaction as the buyer's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the buyer's agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the seller's agent shall disclose to the seller whether the seller's agent is acting in the real property transaction as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the seller's agent prior to or coincident with the execution of that contract by the seller.

(c) **CONFIRMATION:** The following agency relationships are confirmed for this transaction.

Seller's Brokerage Firm DO NOT COMPLETE, SAMPLE ONLY License Number \_\_\_\_\_

Is the broker of (check one): ☐ the seller; or ☐ both the buyer and seller. (dual agent)

Seller's Agent DO NOT COMPLETE, SAMPLE ONLY License Number \_\_\_\_\_

Is (check one): ☐ the Seller's Agent. (salesperson or broker associate); or ☐ both the Buyer's Agent and the Seller's Agent. (dual agent)

Buyer's Brokerage Firm DO NOT COMPLETE, SAMPLE ONLY License Number \_\_\_\_\_

Is the broker of (check one): ☐ the buyer; or ☐ both the buyer and seller. (dual agent)

Buyer's Agent DO NOT COMPLETE, SAMPLE ONLY License Number \_\_\_\_\_

Is (check one): ☐ the Buyer's Agent. (salesperson or broker associate); or ☐ both the Buyer's Agent and the Seller's Agent. (dual agent)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

**2079.18** (Repealed pursuant to AB-1289, 2017-18 California Legislative session)

**2079.19** The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may

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AD-3.00, Revised 01-01-2019

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Page 3 of 4

agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

**2079.20** Nothing in this article prevents an agent from selecting, as a condition of the agent’s employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

**2079.21 (a)** A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller. **(b)** A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. **(c)** “Confidential information” means facts relating to the client’s financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. **(d)** This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

**2079.22** Nothing in this article precludes a seller’s agent from also being a buyer’s agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent.

**2079.23 (a)** A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship. **(b)** A lender or an auction company retained by a lender to control aspects of a transaction of real property subject to this part, including validating the sales price, shall not require, as a condition of receiving the lender’s approval of the transaction, the homeowner or listing agent to defend or indemnify the lender or auction company from any liability alleged to result from the actions of the lender or auction company. Any clause, provision, covenant, or agreement purporting to impose an obligation to defend or indemnify a lender or an auction company in violation of this subdivision is against public policy, void, and unenforceable.

**2079.24** Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

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**LEASE LISTING AGREEMENT**  
**dated April 4, 2019**

**SCHEDULE OF COMPENSATION**  
*(Paragraph 5.1.)*

|                  |  |
|------------------|--|
| <b>Lessor:</b>   | DESERT HEALTHCARE DISTRICT                   |
| <b>Broker:</b>   | COLDWELL BANKER COMMERCIAL LYLE & ASSOCIATES |
| <b>Property:</b> | 555 E TACHEVAH DRIVE, PALM SPRINGS, CA 92262 |

For purposes of this Commission Rate Schedule and the Listing Agreement by and between COLDWELL BANKER COMMERCIAL LYLE & ASSOCIATES (Broker) and **LARRY ISAAC AND WALTER F. ROBBINS** (Lessor) to which this Exhibit is attached, the following shall apply:

- Total Base Rental.** "Total Base Rental", as referred to herein, means the total base rent payable for the specified period plus any and all fixed increases applicable during the specified period, the collective total of which shall be the basis for calculating the commission percentage.
- Non-Refundable.** Final responsibility for the approval or disapproval of any tenant and/or lease rests exclusively with Lessor. In the presentation of lease proposals to Lessor, no representation or warranty is made by Coldwell Banker Commercial Lyle & Associates regarding the financial sufficiency of any tenant, the viability of any proposed use, or the legal or tax consequences of any lease to Lessor. As such, commissions approved and paid by Lessor to Broker are not refundable in the event of any potential breach of lease.

**3. Commission Schedule:**

6.0 % of the Total Base Rental for the first sixty (60) months of the Lease Term; plus  
3.0 % of the Total Base Rental for the next sixty (60) months of the Lease Term;  
1.0 % of the Total Base Rental for the remainder of the Lease Term; but in no event shall any commission payable for any completed lease be less than one month's rent.

Month to Month Tenancy: 100 % of the first month's base rental.

**4. Renewals:**

2.0% of the Total Base Rental for the Renewal Term.

**5. Payment Schedule:**

50% upon execution of the Lease.

50% upon the earlier of occupancy of Premises or "Rental Commencement Date" as specified in the Lease.

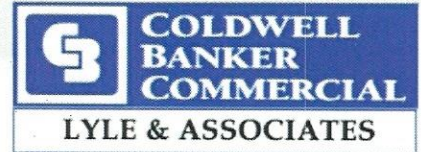
[Signature Box]

Initial Here

# Coachella Valley



California



## MARKETING PROPOSAL FOR LAS PALMAS MEDICAL PLAZA 555 E. TACHEVAH DRIVE PALM SPRINGS, CALIFORNIA



PRESENTED BY  
**ROB WENTHOLD**

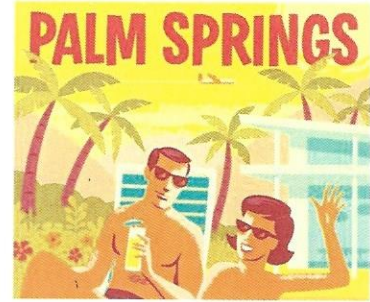
78-000 Fred Waring Drive, Suite 200 • Palm Desert, CA 92211  
Tel: 760.772.6400, Ext. 223 • Cell: 760.641.7602 • Fax: 760.772.6499 • [rwenthold@dc.rr.com](mailto:rwenthold@dc.rr.com)



## OVERVIEW

Coldwell Banker Commercial Lyle & Associates respectfully presents this proposal to Market and Lease Las Palmas Medical Plaza, located at 555 E. Tachevah Drive, Palm Springs, California.

The Property consists of six (6) Medical Office Buildings on two (2) levels in the "Heart" of Palm Springs, adjacent to Desert Regional Medical Center.



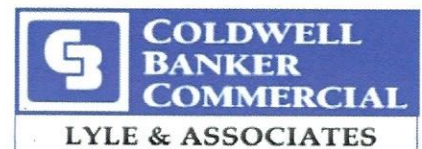
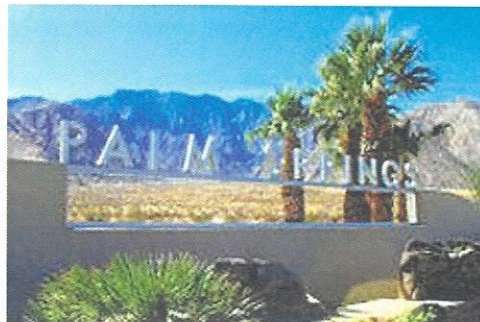
## MARKETPLACE ANALYSIS

During the past twelve (12) months, Coldwell Banker Commercial Lyle & Associates has brokered numerous transactions in the City of Palm Springs. We have THE highest velocity in the marketplace.

Current and future activity suggests that there is significant competition; however, the property has an excellent location. Therefore, we would have a definite competitive advantage.

Our analysis of the market place and our very preliminary analysis of the 555 E. Tachevah Drive property indicates that in order to be competitive with the existing supply currently available, the Lease listing price should range from \$1.50 to \$2.00 NNN per sq. ft. per month, depending upon the location within the Property and the specific interior improvements/build-outs required.

(This projection will be refined in the initial phase of the assignment.)



## **EFFECTIVE MARKETING STRATEGY**

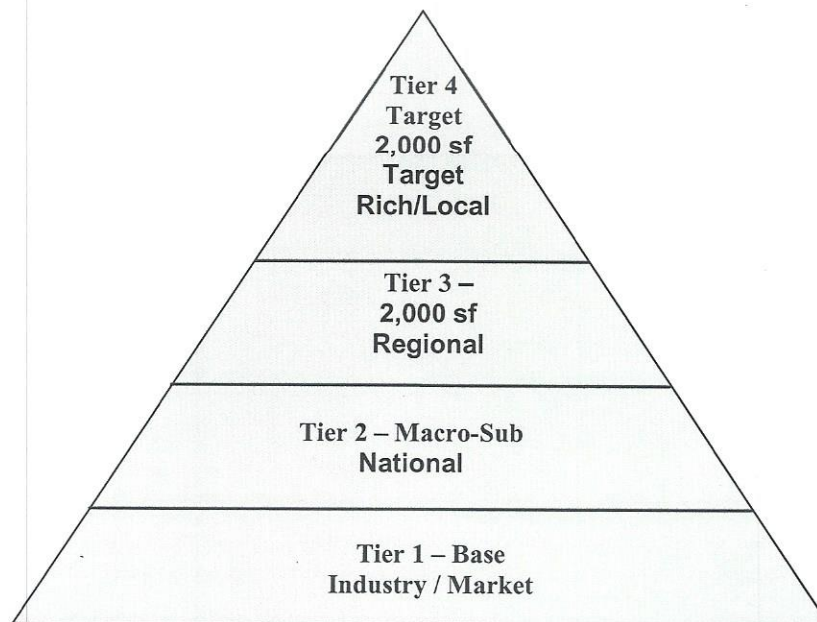
### **Key 1 – The Prospecting Pyramid Approach to Marketing and Leasing**

The key to a successful leasing program is the implementation of an effective marketing and leasing strategy. An effective marketing and leasing strategy requires the commitment of marketing resources in a manner that will achieve the goal of leasing the commercial space at the site in a reasonable time period, i.e. three to six months. To create an effective leasing and sales strategy, Coldwell Banker Commercial Lyle & Associates uses the Prospecting Pyramid approach to marketing and leasing in order to generate the right type of prospect leads in the shortest time possible.

The Prospecting Pyramid approach involves a careful analysis of likely tenants and an allocation of resources designed to produce the quickest results. The essence of the Prospecting Pyramid is a process of ranking prospective types of tenants into four categories and committing the key marketing resources where they are likely to produce the best results, yet at the same time committing some marketing resources to the entire universe of potential tenants to insure that the full universe of potential tenants has an opportunity to be aware of the available units.

The prospecting pyramid is simplified for assuming an immediate vacancy of 2,000 square feet, but the key components and thought process still apply.

### **BUSINESS DEVELOPMENT STRATEGY – The Prospecting Pyramid**





The four levels of the pyramid consist of four rankings of the types of tenants that would be most interested in leasing space. Examples of the rankings and the type of marketing tools Coldwell Banker Commercial Lyle & Associates will use are as follows:

- **Highest Priority – Tier 4**

- Local Retail and Office users in the Coachella Valley who we know are looking for this kind of space and location.
- Retail and Office users in a 1-3 mile radius of the property.

**Marketing Tools for Tier 4 Priority**

- Utilize database of known tenants, i.e. users located in the Coachella Valley.
- Direct mail to 1 -3 mile radius, tenants in the Coachella Valley.
- Presentations to commercial brokerage offices active in the Coachella Valley, DACIE.
- Broadcast email to commercial brokerage networks such as CCIM.net, Coldwell Banker Commercial network, LoopNet.com, etc.
- Schedule appointments to meet with as many suspect/prospects as possible.

- **Top Priority – Tier 3 (simultaneously)**

- Regional / Southern California companies looking for Retail and Office sites in the Coachella Valley.
- Direct mail postcards to 5 mile radius.

**Marketing Tools for Tier 3 Priority**

- Utilize database of these Retail and Office users.
- Canvas by phone list of "B" priority prospects and send full brochure to all interested prospects.
- Series of broadcast email to commercial brokerage networks such as CCIM.net, Coldwell Banker Commercial network, LoopNet.com, etc.

- **Medium Priority – Tier 2**

- National users looking for Retail and Office space in Coachella Valley.

**Marketing Tools for Tier 2 Priority**

- Develop/Utilize database of Retail and Office tenants outside the Coachella Valley.
- Direct mail to all Retail and Office tenants outside the Coachella Valley.
- Series of broadcast email to commercial brokerage networks such as CCIM.net, Coldwell Banker Commercial network, LoopNet.com, etc.

- **Lower Priority – Tier 1**

- All Retail and Office users throughout the Coachella Valley.





- All other known/unknown Retail and Office users outside the Coachella Valley.

### Marketing Tools for Tier 1 Priority

- Series of broadcast email to commercial brokerage networks such as CCIM.net, Coldwell Banker Commercial network, LoopNet.com, etc.

## Key 2 – Marketing Systems

In order to stimulate the activity and produce results, Coldwell Banker Commercial Lyle & Associates would suggest and use the following marketing systems:

- Basic Advertising – signage, marketing brochures, flyers, etc. Owing to the Property's extraordinary location adjacent to Desert Regional Medical Center.
- Automated Marketing Systems
- Internet Marketing Systems
- Broadcast Email
- Direct Mail
- Commercial Brokerage Network – CCIMs & regional brokers, ICSC, etc.
- Cold Calling

## COLDWELL BANKER COMMERCIAL LYLE & ASSOCIATES

### History of Lyle Commercial and Coldwell Banker Commercial Lyle & Associates

For over 20 years, the name Lyle Commercial has been synonymous with excellence in commercial real estate services. By concentrating on Southern California and, in particular, the Palm Springs Desert Resorts Communities, Lyle Commercial developed a reputation for providing the best brokerage, management and investment services to those clients whose principal interests lie in the region. Very simply, Lyle Commercial mastered its marketplace!

With offices in Palm Springs and Palm Desert, the company positioned itself to help clients take advantage of the changing opportunities inherent in the Palm Springs Desert Resort Communities and Southern California as a whole. Proven professionals in each service line provide skills equally valuable to tenants, developers, owners and investors. Lyle Commercial has become one of the largest and most active commercial sales and leasing offices in the entire Coachella Valley. All agents are



experienced in the sale and leasing of commercial, retail and office space, as well as the sale of income and investment properties and commercial land. Our proven marketing program is executed through team effort and the target market approach.

### Coldwell Banker Commercial

Lyle Commercial became affiliated with Coldwell Banker Commercial to form **Coldwell Banker Commercial Lyle & Associates**. Coldwell Banker Commercial is one of the largest and most recognized names in commercial real estate. The new company will give you, as a client of Coldwell Banker Commercial Lyle & Associates, greater access to a wide range of resources within the Coachella Valley as well as nationally and internationally.

Our marketing systems at Coldwell Banker Commercial Lyle & Associates are specifically designed to generate the required amount of activity and interest to accomplish the results you are seeking. These marketing systems include:

- **Global Organization** – Coldwell Banker Commercial is the nation's oldest and most recognized commercial real estate firm with over 325 offices worldwide from North America to Europe, Asia and the Middle East. Through our affiliated offices we can reach just about any company or organization around the globe on our client's behalf.
- **Over 3,200 Specialists** – The Coldwell Banker Commercial organization has over 3,200 commercial specialists who are networked together. Our offices in the Coachella Valley can use this vast network of specialists to seek assistance on any commercial real estate assignment.
- **Automated Marketing System** – On behalf of our clients, we utilize an Automated Marketing System that allows prospective buyers the ability to access detailed information through an 800 telephone system or our website and receive faxes and emails with property information 24 hours a day, 7 days a week. This system is one of the most advanced programs used in marketing today.
- **National and International Advertising in Wall Street Journal** – Coldwell Banker Commercial sponsors an advertising program in national and international issues of the Wall Street Journal. Our clients can have access to this program to market properties for sale or lease. The Wall Street Journal is read by the decision makers who impact decisions in the Coachella Valley, whether they reside locally, nationally or internationally.
- **Regional Advertising** – In addition to our national and international advertising programs, we also have access to advertising programs in regional publications on a similar basis.





- **Internet Marketing Programs** – To market properties for sale, we use several Internet Marketing Systems. Besides our own site, [www.cbclyle.net](http://www.cbclyle.net), we use the main Coldwell Banker Commercial site, [www.coldwellbankercommercial.com](http://www.coldwellbankercommercial.com), as well as other commercial marketing sites such as loopnet.com, retailspace.com, cityfeet.com, propertyline.com, ccim.net, and commercialsource.com. We also use extensive email marketing systems to reach commercial brokers and prospective buyers not only in the Coachella Valley, but also around the county.
- **Marketing Expertise** – As part of our service to our clients, we have both in-house and outside professional graphic designers to help design state-of-the-art marketing materials and packages.
- **Commercial Broker Network** – Through our various professional organizations such as the Commercial-Investment Real Estate Council, the Real Estate Cyberspace Society and others, we have access to networks of commercial real estate specialists outside the Coldwell Banker Commercial organization. We operate on an open marketing basis and promote cooperation with brokers outside the Coldwell Banker Commercial System.
- **Market Research** – Through Coldwell Banker Commercial and the REISS Market Research Group, our clients and prospective buyers have access to some of the best market research information available in the world. In addition, we can produce whatever demographic reports a prospective buyer may require.

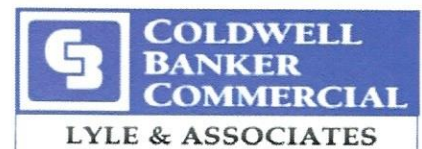
The marketing systems outlined above are designed to generate the large number of leads and contacts necessary to achieve the objectives needed to sell your premise.

## **MARKETING TEAM LEADER**

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### **Rob Wenthold** **Vice President**

Rob has over twenty-five (25) years experience in accounting, leasing, managing, marketing, purchasing and selling commercial real estate throughout the United States. Rob has held a variety of notable positions, from Controller to Property Manager to Asset Manager and Director of Leasing for a number of well-known ownerships and well-respected firms in Southern California. His diverse and



thorough background has created a wealth of knowledge on commercial properties. Rob has lived and worked in the Coachella Valley for over sixteen (16) years, and has an extensive contact base of local businesses, City staff, elected officials, investors and merchants.

### **Partial List of Rob's Sales and Leasing Projects**

Shops on Palm Canyon/Andaz Hotel Project (Palm Springs, CA)

The Five Hundred (Palm Springs, CA)

Smoke Tree Village Shopping Center (Palm Springs, CA)

Smoke Tree Commons Shopping Center (Palm Springs, CA)

Sunrise Center (Palm Springs, CA)

Sun Center (Palm Springs, CA)

Liebling Trust Building (Palm Springs, CA)

Oasis Plaza (Palm Springs, CA)

Palm Springs Design Center (Palm Springs, CA)

431-477 S. Palm Canyon Drive (Palm Springs, CA)

462-490 S. Palm Canyon Drive (Palm Springs, CA)

270-296 N. Palm Canyon Drive (Palm Springs, CA)

849 N. Palm Canyon Drive (Palm Springs, CA)

El Paseo Collection Elegante (Palm Desert, CA)

El Paseo Park Plaza (Palm Desert, CA)

Grapevine Plaza on El Paseo (Palm Desert, CA)

TownGate Center/Crossing/Plaza/Promenade/Square (Moreno Valley, CA)

Silver Spur Shopping Center (Rolling Hills Estates, CA)

Spring Oaks Shopping Center (Las Vegas, NV)

Ocotillo Plaza (Las Vegas, NV)

Manchester Center (Fresno, CA)





## **PROPOSED MARKETING TERMS AND CONDITIONS**

Coldwell Banker Commercial Lyle & Associates would be pleased to represent **Las Palmas Medical Plaza located at 555 E. Tachevah Drive, Palm Springs, CA** on the following terms:

**Length of Listing:** The length of the listing agreement shall be for six (6) months from the date of signing.

**Broker's Commission for Leasing Activities:** For services rendered in connection with leasing activity, Coldwell Banker Commercial Lyle & Associates shall receive:

- Commission – A sum equal to six percent (6%) of the Gross Base Rents collected during the Initial Term (assuming 5 years or less Lease).

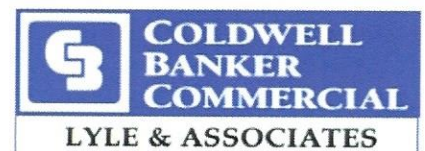
If a cooperating broker is involved in any sale transaction, the commission will be split equally with that cooperating broker.

I am pleased and appreciative to have the opportunity to present you with a Proposal. I am excited about your property and the opportunity to work with you. I look forward to building a strong partnership with you, and servicing your real estate needs in the Coachella Valley.

Respectfully,

*Rob Wenthold*

**Rob Wenthold**  
Vice President  
Cell (760) 641-7602





Date: April 23, 2019  
To: Board of Directors  
Subject: Kaufman Hall Letter of Engagement

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**Staff Recommendation:** Consideration to approve the Engagement Letter of Kaufman, Hall & Associates, LLC to conduct three study sessions to allow the District Board to address the District's future role in providing access to healthcare to residents of the Coachella Valley

**Background:**

- Desert Healthcare District ("District") has previously employed the services of Kaufman, Hall & Associates, LLC ("Kaufman Hall") in assessing the ramifications of SB 1953 and its impact on requisite seismic upgrades for Desert Regional Medical Center ("DRMC")
- On November 6<sup>th</sup>, 2018, voters approved Measure BB, expanding the District boundaries to cover the entire Coachella Valley and increasing the District Board from five members to seven members
- The District would like to further utilize Kaufman Hall's knowledge and expertise in healthcare financial planning to facilitate study session to allow the seven-member Board in its decision making processes.
- At the April 9, 2019 F&A Committee meeting, the Committee recommended forwarding to the Board for approval.
- Staff recommends approval of the Engagement Letter included in the packet.

**Fiscal Impact:**

NTE: \$90,000 plus expenses. Included in the District's FY18-19 annual budget.



Exceptional Partners. Exceptional Performance.

April 18, 2019

Mr. Chris Christensen  
Interim Chief Executive Officer  
Desert Healthcare District  
1140 N. Indian Canyon Drive  
Palm Springs, California 92262

Dear Chris:

Kaufman, Hall & Associates, LLC (“Kaufman Hall”) appreciates the offer to serve as facilitator to the Desert Healthcare District (or the “District”) in a forthcoming strategic planning process (the “Client Project”). Following a year of significant change for the District which saw its geographic boundaries expanded and the board enlargement to seven persons at the end of at large elections, the District has determined that now would be an appropriate time to give the board members an opportunity to participate in a structured dialogue around the strategic future of the District. The District needs to decide on a vision for its role in the community in the coming years, against a backdrop of significant community primary care and other needs, but also recognizing that the existing lease of Desert Regional Medical Center expires in 2027 and that the hospital would require significant investment to maintain its current configuration post the prevailing 2030 seismic upgrade requirements.

Kaufman Hall proposes that it facilitate a series of three two-hour meetings with the board in closed session designed to discuss strategies and the evaluation of options related to the initiation of new programs, services and facilities to address the healthcare needs of the expanded District. Discussions will include market, legal and financial background necessary to allow the board members to address the question of the District’s role in the healthcare system in the Coachella Valley from an informed, consistent knowledge base.

### **PROJECT TEAM**

The Kaufman Hall team for this engagement will be Jody Hill-Mischel, Managing Director, and Steve Hollis, Senior Vice President. Steve will lead the day-to-day effort and serve as primary point of contact for the District. Their biographies are given below.

#### **Jody Hill-Mischel, *Managing Director***

Jody Hill-Mischel is a Managing Director of Kaufman Hall and is based in the Los Angeles office, which she directs. With more than 30 years in healthcare consulting, her expertise includes strategic financial and capital planning, strategic options assessment, merger, acquisition, divestiture, and partnership arrangements, and capital and financial advisory services. Ms. Hill-Mischel’s clients include healthcare systems, academic medical centers, community medical centers, and physician groups.



Mr. Chris Christensen  
Desert Healthcare District  
April 2, 2019  
Page 2

Ms. Hill-Mischel has written for healthcare professional journals, including *hfm* magazine, and is a regular speaker on healthcare strategy and finance topics. Recent talks have included educational programs sponsored by the California Hospital Association, the Healthcare Financial Management Association, and the Society for Healthcare Strategy and Market Development. Ms. Hill-Mischel has been a guest lecturer on healthcare management topics to graduate students at the University of Southern California Health Administration Program.

Prior to joining Kaufman Hall in 1987, Ms. Hill-Mischel was in the healthcare practice of Ernst & Young's Los Angeles office, where she was responsible for financial feasibility studies, business/product line evaluations, long-term care analyses, managed care studies, physician group planning, and capital financing projects. Prior to this, she worked in the finance departments of a major teaching hospital and a four-hospital healthcare system.

Ms. Hill-Mischel has an M.H.A. from Duke University and a B.A. from Cornell University. She also is a CPA.

## **Steven R. Hollis, *Senior Vice President***

Steve Hollis is a Senior Vice President in the Mergers and Acquisitions, and Strategic and Financial Planning practices, working as part of the West Coast team. His areas of focus include capital planning and formation, mergers, acquisitions, partnerships, and divestitures, and strategic and capital alignment. Mr. Hollis' clients include healthcare organizations of all types on the West Coast.

Mr. Hollis is a healthcare finance veteran, having served the industry since 1982, first as a commercial lender, then as consultant and investment banker. Prior to joining Kaufman Hall, he was a Director at Barclays and at Goldman Sachs. Prior to this, he was a Managing Director with Banc of America Securities and a Partner with Cain Brothers & Company.

Mr. Hollis has served a diverse range of clients, from the large systems such as Kaiser, Dignity Health, Peace Health, and Adventist Health, to stand-alone community hospitals, children's hospitals, and public healthcare districts. He has represented organizations as underwriter on all types of bond issues and as a strategic and capital advisor on a wide array of merger and affiliation transactions.

Mr. Hollis has been a frequent speaker and panelist in a wide variety of healthcare forums. His work on hospital affiliations and capital formation has been published in *Health Affairs* and *Modern Healthcare*. Mr. Hollis has an M.A. from the University of California, Davis and a B.A. in Economics and Modern Languages from Leicester University in England.

## **PROJECT TIMING AND PROFESSIONAL FEES**

Kaufman Hall's fees for this engagement will be \$30,000 per session for three sessions for a total of \$90,000, with fees payable in three consecutive monthly installments beginning April 2019. Kaufman Hall understands that the first of the three sessions has been scheduled for April 23, 2019. The dates for the second and third sessions are yet to be determined. Kaufman Hall would require that there be a three- to four-week interval between meetings to allow adequate time to prepare for each session.



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The District may terminate this engagement at any time by providing Kaufman Hall thirty (30) days' prior written notice of its desire to terminate (the "Notification Date"). Kaufman Hall would be entitled to payment of a pro-rated portion of its professional fees, as well as reimbursement of expenses incurred through the Notification Date. Any extension of this engagement beyond the three sessions that are the subject of this engagement letter shall be subject to mutually agreeable terms between the District and Kaufman Hall.

Should the scope or schedule change for reasons outside of Kaufman Hall's control, Kaufman Hall may be entitled to additional fees, but only on the mutual agreement of the parties.

In addition to professional fees, Kaufman Hall charges for reimbursable travel, office, and any third-party data/analytics expenses. Travel and third-party data/analytics expenses are billed as incurred and are not subject to markup. Office expenses of \$2,250 per month include report preparation, communication expenses, and express shipments, among other overhead costs. Invoices are sent at the end of each month and are due upon receipt.

#### AUTHORIZATION

We appreciate the opportunity to support Desert Healthcare District in this important strategic planning process. Your signature below will indicate your agreement with this proposal and the attached terms and conditions, which are incorporated herein by reference. Please sign and return via email or by fax to (847) 965-3511.

If you have any questions, please do not hesitate to contact Jody Hill-Mischel or Steve Hollis at (847) 441-8780.

Sincerely,  
KAUFMAN, HALL & ASSOCIATES, LLC

This proposal is accepted.  
DESERT HEALTHCARE DISTRICT

/sd  
Attachment

\_\_\_\_\_  
Authorizing Signature / Date

cc: Jody Hill-Mischel  
Steve Hollis

\_\_\_\_\_  
Printed Name / Title

## TERMS AND CONDITIONS FOR CONSULTING SERVICES

The following are the terms and conditions by which Kaufman, Hall & Associates, LLC (“Consultant”) will provide services to Desert Healthcare District (“District”) pursuant to the engagement letter (the “Engagement Letter”) (the “Services”) to which these Standard Terms and Conditions relate. To the extent there is any conflict or discrepancy between the terms of the Engagement Letter and these Standard Terms and Conditions, these Standard Terms and Conditions shall control.

1. **Compensation.** District shall pay Consultant the compensation for Services and reimbursement for expenses incurred in the performance of Services. Consultant will issue invoices for fees and expenses monthly. Invoices shall be due and payable upon receipt thereof. In the event District in good faith disputes an invoiced charge, payment of such disputed charge shall be due within fifteen (15) days after resolution of such dispute. All fees are exclusive of taxes. District agrees to pay any and all applicable taxes, including, without limitation, sales, use, and excise taxes, except to the extent payment of taxes is excused due to District’s tax exempt status. If applicable, District shall submit a copy of its tax exempt certificate to Consultant along with the signed Engagement Letter.
2. **Warranties.** Consultant warrants to District that (i) Consultant will perform the Services in good faith with qualified personnel in a competent and professional manner in accordance with the Engagement Letter and subject to these Standard Terms and Conditions and (ii) Consultant is not excluded from participation in any federal or state healthcare program for the provision of items or services for which payment may be made under such federal or state healthcare program, and has not arranged or contracted with any employee, contractor, or agent that is excluded from participation in any federal or state healthcare program, to provide items or services hereunder.
3. **Ownership and Use of Materials.** In the course of rendering the Services, Consultant may create and provide to District documents which include (i) District internal data, analyses, recommendations, and similar items (collectively, “Client Content”), and (ii) data and/or recommendations that have been created by Consultant for the benefit of District as part of the Services (collectively, “Consulting Data”). In the development of Consulting Data, Consultant may use algorithms, software systems, plans, processes, tracking tools, contract assessment/modeling tools, formulas, or data from 3rd party vendors, and other intellectual property owned by Consultant or which Consultant has the right to use as of or after the date hereof (including, without limitation, the format of Consultant’s reports and any improvements or knowledge Consultant develops, whether alone or with others, in the performance of the Services) (collectively, “Consultant Tools”). District shall own, solely and exclusively, the Client Content delivered under the Engagement Letter and any and all of District’s Confidential Information (as defined below). District agrees that Consultant shall own, solely and exclusively, all Consultant Tools and all intellectual property rights therein whether or not registerable (including without limitation patents and inventions, trademarks, service marks, logos and domain names and all associated goodwill, copyrights and copyrightable works and rights in data and databases, and trade secrets, know-how and other confidential information). Client acknowledges and agrees that Consultant may, and reserves the right to, use the Client Content and any information and data generated by the Consultant Tools, solely in an aggregated, non-personally identifiable manner in order to create and improve the compilations, statistical analyses, or benchmarks provided by Consultant in any services (collectively, “Aggregate Data”) as long as the resulting information does not identify District and District hereby grants to Consultant a perpetual, irrevocable, royalty-free license to use the Client Content, solely as described herein. All right, title and interest in and to the Aggregate Data shall

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inure to the sole and exclusive benefit of Consultant. With respect to any Consulting Data that is contained in any documents delivered by Consultant to Client, Consultant grants District a royalty free, paid up, non-exclusive, perpetual license to use the Consulting Data solely in connection with District's internal use of the documents and for no other purpose. District acknowledges and agrees that all Consulting Data (including any advice, recommendations, information, or work product incorporated into the Consulting Data) provided to District by Consultant in connection with the engagement is for the sole internal use of District, including all subsidiaries of District, and may not be used or relied upon by any third party; provided that District may incorporate into documents that District intends to disclose externally Consultant summaries, calculations or tables based on District information contained in Client Content, but not Consultant's recommendations or findings. Consultant retains all rights not expressly granted to Client hereunder.

#### 4. **Confidentiality**

##### 4.1 **District Confidential Information.**

- a. Any and all documentation, data, opinions, information, and communications made or furnished by District to Consultant in connection with the Services shall remain proprietary to District and shall be held by Consultant and any Consultant subcontractor in strict confidence and shall not be released, copied, or disclosed by Consultant or any Consultant subcontractor without the prior written consent of District ("District Confidential Information").
- b. Notwithstanding the foregoing or anything to the contrary herein, District's Confidential Information shall not include any information that:
  - i. At the time of disclosure is or thereafter becomes available to the general public (other than as a result of a disclosure by Consultant in violation of this agreement);
  - ii. Is received by Consultant on a non-confidential basis from a third-party without a known duty of confidentiality to District; or
  - iii. Is independently developed by Consultant without reliance on District's confidential information.
- c. Upon completion of the Services, upon District's written request, Consultant will return to District (or destroy) all tangible copies of District's Confidential Information in Consultant's possession as a result of the Services.
- d. Notwithstanding the foregoing, Consultant shall be permitted to retain a copy of the Client Content and work papers created by Consultant in the provision of the Services for archival purposes. Consultant agrees to be bound by the confidentiality provisions herein for so long as District's Confidential Information remains in Consultant's possession.

4.2 **Consultant Confidential Information.** The Consulting Tools and the Engagement Letter, including the terms therein (including, without limitation, pricing) and these Standard Terms and Conditions, shall remain proprietary to Consultant and shall be held by District in strict confidence and shall not be released, copied, or disclosed by District without the prior written consent of Consultant ("Consultant Confidential Information").

4.3 **Restrictions on Use.** The parties agree to use the same degree of care in the handling of the other party's Confidential Information that each party employs to protect its own confidential information, but no less than a reasonable degree of care.

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**4.4 Compelled Disclosures.** In the event a party is compelled to disclose the Confidential Information of the other party to comply with any applicable law, order, regulation, or ruling, the compelled party shall (if not prohibited by applicable law, order, regulation, or ruling) provide prompt notice of the same to the disclosing party in order to allow such party to take necessary action to protect its confidential information, including to seek a protective order, as appropriate, and will cooperate with the disclosing party, at disclosing party's expense, in protecting the confidentiality of the confidential information in a lawful manner; provided however, that if such legal or regulatory process is pursuant to the regulatory examination requirements of a regulator with jurisdiction over the party so compelled, no notice shall be required. Notwithstanding the foregoing, nothing in these Standard Terms and Conditions shall prevent either party from complying with all such compelled legal disclosures.

5. **Audit.** Until the expiration of four (4) years after the furnishing of the Services, Consultant shall make available upon request of the Secretary of Health and Human Services, or upon request of the Comptroller General, or any of their duly authorized representatives, the Engagement Letter, these Standard Terms and Conditions, books, documents, and records of Consultant that are necessary to certify the nature of the cost claimed to Medicare with respect to the Services.
6. **Responsibilities, Liabilities, and Indemnification.** District recognizes that this engagement is not intended to shift to Consultant risks that are normally borne by District. It is therefore understood and agreed that:
  - a. The Services may include advice and recommendations, but all decisions to implement or not implement any such advice and recommendations shall be the sole responsibility of, and made solely by, District. District shall make all management decisions on its own behalf and shall designate individual(s) who possess suitable skill, knowledge, and experience to oversee the engagement and evaluate Client Content on District's own behalf. District will cooperate with Consultant in the performance of the Services and will provide or arrange to provide timely access to and use of District personnel, facilities, equipment, data, and information to the extent necessary for Consultant to perform the Services. District acknowledges that Consultant will base its conclusions and recommendations on the material, data, and information furnished by District and third parties, and Consultant has no responsibility to independently validate such material, data, and other information, and may rely upon the accuracy and completeness of such data, material, and other information, and Consultant does not warrant that any particular result will occur.
  - b. District further understands that certain statements and recommendations made by the Consultant will be based on or may contain projections and forward-looking statements, including, without limitation, statements as to trends, District management's or the Consultant's beliefs and expectations regarding future circumstances and events, and opinions (based upon a number of assumptions and recommendations) that ultimately may prove to be inaccurate. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on current beliefs, expectations and events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. District's actual results may differ materially from those indicated in the forward-looking statements. Consultant undertakes no obligation to update any forward-looking statement.
  - c. Except to the extent otherwise provided in Paragraph 6(d) below, in no event shall Consultant's liability to District under or with respect to this agreement exceed the amount

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- of payments actually received by Consultant from District for the Services. District agrees that this limitation applies: (i) regardless of the nature of the claim, whether alleged as a breach of contract, tort, negligence, strict liability, or any other legal theory; (ii) whether or not District has been advised of the possibility of such damages; and (iii) notwithstanding any failure of essential purpose of any limited remedy provided. In no event shall Consultant be liable to District for any lost profits, or for any indirect, special, consequential, reliance, incidental, or punitive damages whatsoever.
- d. Consultant will indemnify, hold harmless, and defend (by employment of competent legal counsel selected by Consultant reasonably acceptable to District), District and its employees, officers, directors, and agents, from and against any and all claims, demands or actions brought by third parties, and any resulting losses, liabilities, costs, and expenses of any kind or nature whatsoever (including, without limitation, reasonable attorney's fees and expenses) (hereinafter individually and collectively referred to as "Claims") that arise out of bodily injury or damage to tangible personal property suffered by a third party directly and proximately caused by the acts or omissions of Consultant or any employee or agent of Consultant while physically present on the premises of District. Obligations arising out of this section 6(d) shall apply only in proportion to the extent of the act or omission of the employee or agent.
  - e. District will indemnify, hold harmless, and defend (by employment of competent legal counsel selected by District reasonably acceptable to Consultant) Consultant and its employees, officers, directors, and agents, from and against any and all Claims that arise out of, or are directly or indirectly related to the Client Project.
  - f. District agrees to pay all costs and expenses that are incurred by Consultant (including expenses of Consultant's counsel) to deal with or otherwise respond to any regulatory inquiries, legal investigations, or other legal process of any kind (a "Proceeding") that is connected with, arises out of, or relates to the Client Project, unless Consultant is the subject of any such Proceeding.
  - g. An indemnifying party hereunder may not agree to settle or dispose of any claims against an indemnified party if such settlement or disposal imposes an affirmative obligation on the indemnified party, except with indemnified party's express written consent.
7. **Governing Law.** The Engagement Letter and these Standard Terms and Conditions shall be governed in accordance with the laws of the State of Illinois, without regard to conflicts of law provisions.
8. **Non-Solicitation.** The parties agree not to solicit or cause to be solicited the employment of any personnel of the other without first obtaining the written authorization of the other, during the term of this agreement and continuing for a period of twelve (12) months thereafter. Solicitations via any media of general availability, such as newspapers or trade publication advertisements, internet listing or similar solicitations not targeted at specific employees, and to which individuals choose to respond, shall not constitute a violation of this provision.
9. **Independent Contractor.** It is understood and agreed that Consultant is an independent contractor and not an agent, employee, or representative of District. Any conduct in which Consultant engages in connection with or in the performance of the engagement shall be solely in its capacity as an independent contractor, and nothing in the Engagement Letter or these Standard Terms and Conditions shall be construed to the contrary.



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10. **Assignment.** Neither party may assign the Engagement Letter without the written consent of the other party, which consent will not be unreasonably withheld; provided, however, that Consultant may assign or transfer its rights, or delegate its duties, under this agreement, in whole or in part, to an affiliate of Consultant or to any successor to, or purchaser of Consultant's assets or pursuant to a change in control.
11. **Severability.** In the event that any term or provision of the Engagement Letter or these Standard Terms and Conditions shall be held to be invalid, void, or unenforceable, then the remainder of the Engagement Letter and these Standard Terms and Conditions shall not be affected. Upon such determination that any term or provision is invalid, void, or unenforceable, the parties shall negotiate in good faith to modify the affected term or provision to effect the original intent of the parties as closely as possible in a mutually acceptable manner so that the transactions contemplated thereby and hereby may be consummated as originally contemplated to the greatest extent possible.
12. **Amendment; Waiver.** The Engagement Letter and these Standard Terms and Conditions may only be amended, modified, or supplemented by an agreement in writing signed by the duly authorized representative of the parties. No waiver of breach of any provision of the Engagement Letter or these Standard Terms and Conditions by either District or Consultant shall constitute a waiver of any subsequent breach of the same or any other provision, and no waiver shall be effective unless made in writing and signed by an officer of the other party.
13. **Entire Agreement.** It is understood and agreed that the Engagement Letter together with all exhibits and schedules, and these Standard Terms and Conditions, constitute the entire agreement between District and Consultant regarding the Services and supersede all other prior or contemporaneous oral and written representations, understandings, or agreements related thereto, including any confidentiality agreements previously entered into, none of which prior or contemporaneous matters shall be binding.
14. **Form of Signature.** The parties agree that the Engagement Letter and these Standard Terms and Conditions shall be deemed fully executed by affixing a duly authorized District representative and a duly authorized Consultant representative signature to the Engagement Letter attached hereto, whether by original, electronic, or facsimile signature.
15. **Data Submissions.** Consultant may from time to time, in support of the Services, require data files from District. Consultant and District agree to the following:
  - a. Consultant will not accept any file that contains a person's Social Security Number ("SSN") or patient name;
  - b. Consultant will only accept Protected Health Information ("PHI" as defined by the HIPAA/HITECH rules 45 C.F.R. Parts 160 and 164) if such PHI is required to provide the Services;
  - c. Files received by Consultant containing SSN, patient name, or unnecessary PHI will be deleted from all locations in the Consultant's email, network, website, and computers and District will receive email notification of the steps taken;
  - d. If Consultant has been or is granted access to PHI, Consultant and District shall enter into a mutually agreeable, HIPAA/HITECH compliant Business Associate Agreement prior to Consultant receiving any data that includes PHI; and



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- e. Consultant will only accept files containing PHI via Consultant's FTP site or District's FTP site and:
  - i. These files must require a password to open which needs to be sent to the Consultant representative via a separate email; and
  - ii. These files must contain only the minimum necessary data for Consultant to provide the Services.

Failure by either party to comply with the provisions of this Section 15 may result in a Security Incident as such is defined in the HIPAA/HITECH rules.

## PROPOSALS UNDER DEVELOPMENT

Information only – status update of new and existing grants since last report of March 2019

| Letters of Inquiry                 |  |  |
|------------------------------------|--|--|
| Agency                             | Staff Notes  | Status   |
| <b>Health to Hope Clinics</b>      | <u>Emailed</u> LOI requesting \$125,000 for the organization's mobile medical units to serve more of the homeless individuals within the District's current service area and/or throughout eastern Coachella Valley (the passage of Measure BB). | Site visit of mobile medical unit serving clients at Acadia Healthcare/Desert Comprehensive Treatment Center completed March 12, 2019.<br><br><b>Stage 1 LOI</b> has been received and under staff review. CEO states 40 MOUs are in place throughout the Coachella Valley and other areas, including UCR School of Medicine and Tenet Health Systems.         |
| <b>Alzheimers Coachella Valley</b> | LOI received requesting \$10,000 for programming. This is a relatively new organization (IRS determination January 2018), split off from Alzheimers Association Desert Chapter – 501 (c) 3 determination June 1985                               | A funding request of over \$5,000 requires audited financial statements. Requested audited financials from the organization.   |
| <b>Desert AIDS Project</b>         | <u>Emailed</u> LOI requesting \$459,006 for Get Tested Coachella Valley 2.0  | Site visit and meeting at DAP was completed April 2, 2019. The funding request was concentrating the new version 2.0 of Get Tested Coachella Valley (GTCV) specific to the residents of the East Valley. Other items included in the funding request were advertising dollars; support for the mobile testing van and Smart cars; salaries; event sponsorship; |

|  |   |  |
|--|---|--|
|  |   | and support for the DOCK (the STD clinic) to offset lost revenue. DAP will be providing its strategic plan & Vision 2030 for review and compatibility with DHCD strategic plan.  |
| <b>Hidden Harvest</b>                      | LOI received requesting \$50,000 for low-income Senior Markets.   | Have requested from HH more current audited financials.  |
| <b>Lift to Rise</b>                        | LOI in progress -- \$825,000 over two years – homeless subcommittee to be embedded in LTR Housing CAN (Collaborative Action Network)  | Stage 2 will be generated to start the formal grant application process. Expect to be ready for consideration at the April 29, 2019 special Program Committee meeting OR at the May 21 <sup>st</sup> regular Program Committee meeting.                        |
| <b>Applications</b>                        |   |  |
| <b>Grantee</b>                             | <b>Staff Notes</b>  | <b>Status</b>  |
| <b>Ronald McDonald House Inland Empire</b> | <b>Stage 1 LOI:</b> Requested \$200,005 to support programs and services specific to Coachella Valley families (approximately 20%) that are referred by JFK Hospital, DRMC and Eisenhower Health for intensive and specialized medical treatments at the Children's Hospital. | <b>Stage 2:</b> Application has been received and under staff review and scoring. Expect to be ready for consideration at the April 29, 2019 special Program Committee meeting OR at the May 21 <sup>st</sup> regular Program Committee meeting.               |
| <b>Pegasus Riding Academy</b>              | <b>Stage 1 LOI:</b> Requested \$110,975 to provide equine therapy to 115 clients residing in the Desert Healthcare District (original boundaries)   | <b>Stage 2:</b> Application in process. Grantee is updating and revising various required documents essential to the scoring structure. As the horses end their therapy duties in May (hot weather) the start date for this application will be in the autumn. |
| <b>OneFuture Coachella Valley</b>          | <b>Stage 1 LOI</b> requesting \$700,000 for 2 years for support for the ongoing   | <b>Stage 2: Application</b> in process. Expect application to be ready for staff review and scoring and to be presented for  |

|                                     |  |   |
|-------------------------------------|--|---|
|                                     | Behavioral Health Workforce pipeline development.  | consideration at the April 29 <sup>th</sup> special Program Committee meeting OR at the May 21 <sup>st</sup> regular Program Committee meeting.   |
| <b>OneFuture Coachella Valley</b>   | <b>Stage 1 LOI</b> requesting \$15,042 for Health Career Connection (HCC) Summer Interns (2)   | <b>Stage 2: Application</b> in process. Expect application to be ready for staff review and scoring and to be presented for consideration at the April 29 <sup>th</sup> special Program Committee meeting OR at the May 21 <sup>st</sup> regular Program Committee meeting.   |
| <b>Martha's Village and Kitchen</b> | <b>Stage 1 LOI</b> requesting \$200,086 to offset bed costs for homeless residents from the western District boundaries  | <b>Stage 2: Application</b> in process. Expect application to ready for staff review and scoring and to be presented for consideration at the April 29 <sup>th</sup> special Program Committee meeting OR at the May 21 <sup>st</sup> regular Program Committee meeting.  |
| <b>Galilee Center</b>               | <b>Stage 1 LOI</b> requesting \$75,000 to serve approximately 200 seasonal and migrant farm workers with overnight shelter (including meals, showers, lockers, & laundry facilities) | <b>Stage 2: Application</b> in process. Expect application to be ready for staff review and scoring and to be presented for consideration at the April 29 <sup>th</sup> special Program Committee meeting OR at the May 21 <sup>st</sup> regular Program Committee meeting. *** <b>PLEASE NOTE: If approved, these grant funds will be allocated from the \$300,000 budget set aside for the newly expanded boundaries of eastern Coachella Valley.</b> |
| <b>Progress Reports - NONE</b>      |  |   |
| <b>Final Grant Reports - NONE</b>   |  |   |



Date: April 23, 2019  
To: Board of Directors  
Subject: Dream Homes Initiative

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**Staff Recommendation:** Informational item only.

**Background:**

- The Dream Homes community of Cathedral City is a 1.2-square-mile area that has 470 homes and about 2,500 people living there. The community has faced many challenges in previous years, ranging from gang- related problems to a lack of community resources and/or services. Slowly, the community has been transforming and organizing itself to change that perception and to bring much needed infrastructure projects to the area.
- Initial discussions with leaders from the city of Cathedral City, El Sol, Loma Linda University, and the Desert Healthcare District led to the consideration and approval of an 18-month (July 2017 to December 2018) place-based initiative grant. The grant was approved at the June 25, 2017, Board meeting.
- The Dream Homes Initiative made a significant impact in the Dream Homes community:
  - Recruited, enrolled, and graduated five Dream Homes community residents from the Loma Linda University Promotores (Community Health Workers) Academy.
  - Surveyed a total of 350 community residents in the Dream Homes area.
  - Held 10 community conversations/focus groups with community residents.
  - Hosted a health fair on May 20, 2018, where 25 community-based organizations rendered services or provided health resources to 250 residents.
  - Hosted two community forums with city officials and community members to discuss topics impacting their community.
  - Organized a community beautification project by providing homeowners with “roll away” trash receptacles to clean their properties.
  - Served as a liaison between the community residents and the local school (Agua Caliente Elementary), city of Cathedral City Code Compliance Department, and the Police Department, which increased its patrolling of the Dream Homes area due to community residents’ concern.
- Dream Homes Initiative Community Health Workers and supporting staff will present their findings of the needs-assessment conducted in the Dream Homes to the Board at the April 23 meeting.

**Fiscal Impact:** \$178,016 grant awarded 2017



Date: April 23, 2019  
To: Board of Directors  
Subject: NEOPB Transitions to CalFresh- Healthy Living – Subcontractor Proposal

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**Staff Recommendation:** The Board to consider accepting a new three-year grant to implement the CalFresh Healthy Living Program and to help guide its transition from what was formerly known as the Nutrition Education and Obesity Prevention Branch (NEOPB). The new program will primarily focus on creating partnerships with food banks and pantries to optimize their services and distributions from organization to recipient.

**Background:**

- The Desert Healthcare District has been a subcontractor of the Nutrition and Education Obesity Prevention Branch for the past five years.
- Through the education of young residents, the NEOPB program focused on improving diet with access to healthy fruits and vegetables and encouraging students to partake of physical activity. The new vision will continue the work that started with the schools but shift the focus to creating the same success with food banks and pantries that serve residents of all ages.
- The CalFresh Healthy Living grant will award funding for policy, systems and environmental (PSE) change strategies and activities to improve the environment related to nutrition and physical activity for CalFresh (SNAP-Ed) eligible recipients.
- The grant will allow the District staffer who served as NEOPB's health educator to operate the new program, analyzing, assessing and recommending efficient practices throughout food banks / pantries serving Thousand Palms, Cathedral City, Desert Hot Springs and Palm Springs.
- A cross-valley effort is to be considered as it allows the Desert Healthcare District and Foundation to qualify and collect other available grant monies.
- The current NEOPB grant concludes September 30, 2019
- If approved, the new grant will go into effect October 1, 2019

**Fiscal Impact:**

The Cal-Fresh Healthy Living program will provide a minimum of \$300,000 over three years on a reimbursement basis. The funding originates from the United States Department of Agriculture (USDA), funneled to the State of California, distributed to public health agencies at the county level, and finally disbursed to the Desert Healthcare District as a subcontracting agency.

## Ad Hoc Committee on Board and Staff Communications and Policies Meeting Summary – April 16, 2019

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### **Attendees**

Chair, Leticia De Lara  
Vice-President Les Zendle, MD  
Chris Christensen, CEO  
Andrea S. Hayles, Clerk of the Board  
Jeff Scott, Legal Counsel

### **Absent**

Director Evett PerezGil

### **Guests**

Martin Rauch, Rauch Communications - *Telephonic*

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### **Call to Order**

The meeting was called to order by Chair De Lara at 9:11 a.m.

### **Approval of the Agenda**

Chair De Lara asked for a motion to approve the agenda.

Moved and seconded by Chair De Lara and Vice-President Zendle to approve the agenda.

### **Old Business – Policies**

#### 1. Rauch Communications Interviews/Workshop Update

Martin Rauch, CEO of Rauch Communications provided a summary of recommended next steps for establishing the Workshop on Board and Staff communications. Mr. Rauch also provided an overview of his interviews.

Rauch Communication's goal is to enhance how the board works together on the important issues facing the District and how to better communicate with staff. Mr. Rauch recommended moving forward with a Board Workshop in May or June 2019. The Committee agreed with Mr. Rauch's recommendation and asked that Management coordinate the scheduling of a convenient time for a meeting with the Board.

#### 2. Revised Ticket Distribution Policy (**ACTION ITEMS**)

Jeff Scott, the District's legal counsel, reviewed the advantages of the District having a Ticket Distribution Policy and provided examples to the Committee to help clarify the currently adopted policy.



The committee discussed the importance of increasing public awareness of the District and District representation at community events.

**After discussion, the committee recommended that the Ticket Distribution Policy is brought back to the full Board at the April 23, 2019 meeting and with policy amendments (beginning July 1, 2019) to increase the annual Ticket Policy budget to \$20,000 and provide a cap of \$2,500 per year for each Director and the District CEO.**

The committee noted that the recommendation will eliminate the need for the District to purchase tables to events and will allow each individual Director to determine which events meet the public purposes of the District. Vice-President Zendle suggested that specific gift guidelines are also developed for District Board members that serve on Desert Regional Medical Center's (DRMC) Governing Board based on the value of events sponsored by DRMC.

**The committee also recommended continuing with the \$500 per Director cap for the remainder of the 2018/2019 fiscal year.**

3. Appointments & Duties for Committees Policy **(See items 4, 5, & 6)**

4. District Bylaws Revisions Merging F&A and Hospital Governance & Oversight Committees

Directors De Lara noted that concerns were expressed at the recent F&A Committee meeting about the consolidation of the Governance and Oversight Committee into the F&A Committee.

**After discussion, the Committee recommended that the issue is brought back to the full Board and the Hospital Governance and Oversight Committee renamed to the Hospital Lease Oversight Committee, which would meet on a quarterly basis, to conduct hospital inspections and more often if necessary, to address other lease oversight issues. In addition, the Committee recommended that it is not necessary for the three members on the Committee to be District representatives on the DRMC Governing Board.**

**The Committee also recommended that the Strategic Planning Committee section of the bylaws will be updated to reflect quarterly instead of monthly meetings.**

5. Revised Stipend Compensation Policy and Resolution for Six Meetings Per Month Commencing July 1, 2019 (AB 2329) **(ACTION ITEMS)**

The committee requested removing items c from section A 5. concerning health fairs type of events, including modifying d – meetings or visits – to consist of formal meeting that is requested or necessitated by the CEO. Compensation for attendance at conferences should also be considered only one stipend.

**With those changes, the Committee recommended that the draft policy is brought to the full Board for consideration and approval at the April 23, 2019, Regular meeting and the Resolution and adopted policy be brought to the Board at the May Regular meeting.**

6. Ordinance for Increasing Stipend Compensation to 5% Commencing January 1, 2020 (AB 2329) **(ACTION ITEMS)**

**After discussion, the Committee recommended that a Notice of Hearing is adopted by the Board at the April Regular meeting and the Ordinance is brought to the full board at the May Regular meeting with the 5% (\$5.00 increase) in stipend compensation effective January 1, 2020.**

#### **Future Topics and Issues**

Chair De Lara recommends discussions about Form 700 for new and veteran board members that also includes ongoing education and the possibility of a standing committee on policies and procedures.

The meeting adjourned at 10:39 a.m.



**POLICY TITLE:** TICKET DISTRIBUTION POLICY

**POLICY NUMBER:** BOD-18

**REVISED DATE:** 04/23/2019

**BOARD APPROVAL DATE:** 04/23/2019  
Resolution #\_\_-18 04/23/2018

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**POLICY:** TICKET DISTRIBUTION POLICY

**Policy #BOD-18:** From time to time the Desert Healthcare District and Desert Healthcare Foundation (collectively referred to herein as "District") receives event tickets and/or passes from public and private entities and individuals or purchases event tickets and/or passes in connection with the District's operations and activities in furtherance of the District's public purposes. These tickets and/or passes purchased or received by the District are public resources of the District.

The District desires to use such tickets and/or passes to further governmental and public purposes of the District, such as the promotion of the District's activities and programs, and to avail the District and its officials, as defined in Government Code Section 82048 and Fair Political Practices Commission Regulation 18701 (Title 2, Division 6, California Code of Regulations referred to herein as "FPPC Regulation"), of the ability to distribute tickets and/or passes pursuant to FPPC Regulation 18944.1. The furtherance of the District's governmental and public purposes may require the distribution of said tickets and/or passes to "public officials," as that term is defined in Government Code Section 82048; and

FPPC Regulation 18944.1(e) requires that any distribution of said tickets and/or passes to, or at the behest of, an authorized District Official must be made pursuant to a duly adopted written policy, if such distribution is made under that regulation, and that the District must receive value equal to or greater than the value of the event ticket or pass it distributes to a District Official. As provided in FPPC Regulation 18944.1(c), such tickets and/or passes distributed in accordance with a duly adopted policy are not considered gifts to public officials. Accordingly, the Board of Directors of the Desert Healthcare District adopts the following Ticket Distribution policy:



### Section 1: Definitions.

- a. "District Official" shall mean and refer to a District "public official" as that term is defined by Government Code Section 82048 and FPPC Regulation 18701 and shall include Board members, employees, and consultants required to file an annual Statement of Economic Interest Form 700.
- b. "Authorized District Official" shall mean a Board member or the CEO who shall be authorized to request the District's purchase of tickets or passes in accordance with Section 5 below.
- c. "Ticket" or "pass" as these terms are defined in FPPC Regulation 18944.1, as amended, and as of this date means admission to a facility, event, show, or performance for entertainment, amusement, recreation, or similar purpose.
- d. "Ticket Coordinator" shall mean the CEO or his or her designee who shall be responsible for distributing tickets in accordance with this policy and completing and posting the FPPC Form 802.

Section 2: Purpose of the Policy. The purpose of this Policy is to ensure that all tickets and passes the District receives from public and private entities and individuals, which are either complimentary or purchased by the District, are distributed in furtherance of a public purpose of the District and are not utilized for any election-related purposes.

Section 3: Limitation. This Policy shall only apply to the District's distribution of tickets and/or passes to, or those that are purchased at the behest of, an Authorized District Official.

Section 4: Public Purposes for Ticket Distribution. The following list is illustrative, rather than exhaustive, of the public purposes the District may accomplish by the distribution of tickets to, or at the behest of, a District Official:

- a. Representation of the District at events on federal, state, and regional levels.
- b. Representation and promotion of the Desert Healthcare District at District sponsored or supported community events and programs.
- c. Increasing public exposure to and awareness of District sponsorships, grants, initiatives, projects, and facilities related to promoting the mission and vision of the District.
- d. Promotion of District issues and representation at events sponsored by other governmental entities or government-related industry groups and non-profit organizations.



- e. Recognizing or rewarding meritorious service by any District Official or employee and recognizing contributions made by current and former District Officials.

**Section 5: Purchase of Tickets or Passes.** Authorized District Officials may request the Ticket Coordinator purchase up to two (2) tickets in accordance with the public purposes of this policy for use by the District Official, an immediate family member (spouse or dependent children), or one other person. \$20,000 per fiscal year beginning July 1, 2019 shall be budgeted for the purchase of tickets and the purchase of tickets for use by any individual Authorized District Official shall not exceed \$2,500 per fiscal year.

**Section 6: Transfer Prohibition.** The transfer by any District Official of any ticket distributed pursuant to this policy to any other person, except to other District Officials and staff members of the District, is prohibited. For tickets or passes that are unable to be used by the original recipient, the Ticket Administrator shall have the discretion to redistribute to other District Officials, staff members, or community members.

**Section 7: Posting Form 802 on Website.** Within thirty (30) days of distributing a ticket or pass, the District shall post a completed FPPC Form 802 on the District's website.

**Section 8: Exemptions to Policy.** Tickets or passes that are not subject to this policy include the following:

- a. **Ceremonial Role or Function.** Tickets or passes provided to an Authorized District Official where the official will perform a ceremonial role or function on behalf of the District are not considered gifts to the Authorized District Official.
- b. **Reimbursement.** The Authorized District Official reimburses the District for the face value of the ticket or pass within thirty (30) days of receipt or acceptance of the ticket or pass, as defined in the Political Reform Act.
- c. **Income.** The Authorized District Official treats the ticket or pass as income consistent with federal and state income tax laws and the City reports distribution of the tickets or passes as income to the Authorized District Official on the FPPC Form 802. The official will also have to report it as a gift on their 700 Forms.
- d. **Political and Non-Profit Fundraisers.** Ticket(s) (up to two) to political and non-profit events that are provided directly to the public official by the political committee or 501(c)(3) organization and do not involve the District are not considered gifts (Regulation 18944.1).



**POLICY TITLE:** TICKET DISTRIBUTION POLICY

**POLICY NUMBER:** BOD-18

**REVISED DATE:** 042/236/2019

**BOARD APPROVAL DATE:** 042/236/2019  
Resolution #\_\_-18 043/237/2018

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**POLICY:** TICKET DISTRIBUTION POLICY

**Policy #BOD-18:** From time to time the Desert Healthcare District and Desert Healthcare Foundation (collectively referred to herein as "District") receives event tickets and/or passes from public and private entities and individuals or purchases event tickets and/or passes in connection with the District's operations and activities in furtherance of the District's public purposes. These tickets and/or passes purchased or received by the District are public resources of the District.

The District desires to use such tickets and/or passes to further governmental and public purposes of the District, such as the promotion of the District's activities and programs, and to avail the District and its officials, as defined in Government Code Section 82048 and Fair Political Practices Commission Regulation 18701 (Title 2, Division 6, California Code of Regulations referred to herein as "FPPC Regulation"), of the ability to distribute tickets and/or passes pursuant to FPPC Regulation 18944.1. The furtherance of the District's governmental and public purposes may require the distribution of said tickets and/or passes to "public officials," as that term is defined in Government Code Section 82048; and

FPPC Regulation 18944.1(e) requires that any distribution of said tickets and/or passes to, or at the behest of, an authorized District Official must be made pursuant to a duly adopted written policy, if such distribution is made under that regulation, and that the District must receive value equal to or greater than the value of the event ticket or pass it distributes to a District Official. As provided in FPPC Regulation 18944.1(c), such tickets and/or passes distributed in accordance with a duly adopted policy are not considered gifts to public officials. Accordingly, the Board of Directors of the Desert Healthcare District adopts the following Ticket Distribution policy:



**Section 1: Definitions.**

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- b. "Authorized District Official" shall mean a Board member or the CEO who shall be authorized to request the District's purchase of tickets or passes in accordance with Section 5 below.
- c. "Ticket" or "pass" as these terms are defined in FPPC Regulation 18944.1, as amended, and as of this date means admission to a facility, event, show, or performance for entertainment, amusement, recreation, or similar purpose.
- d. "Ticket Coordinator" shall mean the CEO or his or her designee who shall be responsible for distributing tickets in accordance with this policy and completing and posting the FPPC Form 802.

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- a. Representation of the District at events on federal, state, and regional levels.
- b. Representation and promotion of the Desert Healthcare District at District sponsored or supported community events and programs.
- c. Increasing public exposure to and awareness of District sponsorships, grants, initiatives, projects, and facilities related to promoting the mission and vision of the District.
- d. Promotion of District issues and representation at events sponsored by other governmental entities or government-related industry groups and non-profit organizations.

Policy #BOD-18 Page 2 of 3





- e. Recognizing or rewarding meritorious service by any District Official or employee and recognizing contributions made by current and former District Officials.

**Section 5: Purchase of Tickets or Passes.** Authorized District Officials may request the Ticket Coordinator purchase up to two (2) tickets in accordance with the public purposes of this policy for use by the District Official, an immediate family member (spouse or dependent children), or one other person. ~~\$820,000~~ per fiscal year beginning July 1, 2019 shall be budgeted for the purchase of tickets and the purchase of tickets for use by any individual Authorized District Official shall not exceed ~~\$42,500~~ per fiscal year.

**Section 6: Transfer Prohibition.** The transfer by any District Official of any ticket distributed pursuant to this policy to any other person, except to other District Officials and staff members of the District, is prohibited. For tickets or passes that are unable to be used by the original recipient, the Ticket Administrator shall have the discretion to redistribute to other District Officials, staff members, or community members.

**Section 7: Posting Form 802 on Website.** Within thirty (30) days of distributing a ticket or pass, the District shall post a completed FPPC Form 802 on the District's website.

**Section 8: Exemptions to Policy.** Tickets or passes that are not subject to this policy include the following:

- a. **Ceremonial Role or Function.** Tickets or passes provided to an Authorized District Official where the official will perform a ceremonial role or function on behalf of the District are not considered gifts to the Authorized District Official.
- b. **Reimbursement.** The Authorized District Official reimburses the District for the face value of the ticket or pass within thirty (30) days of receipt or acceptance of the ticket or pass, as defined in the Political Reform Act.
- c. **Income.** The Authorized District Official treats the ticket or pass as income consistent with federal and state income tax laws and the City reports distribution of the tickets or passes as income to the Authorized District Official on the FPPC Form 802. The official will also have to report it as a gift on their 700 Forms.
- d. **Political and Non-Profit Fundraisers.** Ticket(s) (up to two) to political and non-profit events that are provided directly to the public official by the political committee or 501(c)(3) organization and do not involve the District are not considered gifts (Regulation 18944.1).

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## **RESOLUTION NO.19-05**

### **RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESERT HEALTHCARE DISTRICT & DESERT HEALTHCARE FOUNDATION ADOPTING A TICKET DISTRIBUTION POLICY**

WHEREAS, from time to time the Desert Healthcare District and Desert Healthcare Foundation (collectively referred to herein as "District") receives event tickets and/or passes from public and private entities and individuals or purchases event tickets and/or passes in connection with the District's operations and activities in furtherance of the District's public purposes; and

WHEREAS, these tickets and/or passes purchased or received by the District are public resources of the District; and

WHEREAS, the District desires to use such tickets and/or passes to further governmental and public purposes of the District, such as the promotion of the District's activities and programs, and to avail the District and its officials, as defined in Government Code Section 82048 and Fair Political Practices Commission Regulation 18701 (Title 2, Division 6, California Code of Regulations referred to herein as "FPPC Regulation"), of the ability to distribute tickets and/or passes pursuant to FPPC Regulation 18944.1; and

WHEREAS, the furtherance of the District's governmental and public purposes may require the distribution of said tickets and/or passes to "public officials," as that term is defined in Government Code Section 82048; and

WHEREAS, FPPC Regulation 18944.1(e) requires that any distribution of said tickets and/or passes to, or at the behest of, an authorized District Official must be made pursuant to a duly adopted written policy, if such distribution is made under that regulation, and that the District must receive value equal to or greater than the value of the event ticket or pass it distributes to a District Official.

WHEREAS, as provided in FPPC Regulation 18944.1(c), such tickets and/or passes distributed in accordance with a duly adopted policy are not considered gifts to public officials; and

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

Section 1: The Board of Directors hereby adopts that certain Ticket Distribution **Policy #BOD-18** which is attached to this Resolution and incorporated herein by reference.

**PASSED, APPROVED, AND ADOPTED** by the Board of Directors of the Desert Healthcare District at a regular meeting held on this 23<sup>rd</sup> day of April 2019, by the following roll call vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
\_\_\_\_\_, President  
Board of Directors  
Desert Healthcare District

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, Vice-President/Secretary



**POLICY TITLE:** APPOINTMENT & DUTIES FOR COMMITTEES

**POLICY NUMBER:** BOD-3

**DRAFT DATE:** 03-22-16 -Revised at 4-23-19 BOD Mtg

**BOARD APPROVAL DATE:** 03-22-16 & Revision on 04-23-19

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**POLICY: APPOINTMENT TO COMMITTEES**

**Policy #BOD-3:** It shall be the policy of the Desert Healthcare District ("District") that the Board President shall appoint Board members to all committees and all committees shall be advisory only to the full Board of Directors unless otherwise specifically authorized to act by the Board.

**1. DISTRICT BOARD COMMITTEES:**

**1.1. Ad-hoc Committees.** Ad-hoc Committees of less than a quorum of the Board may be appointed by the Board President, for specific tasks or for a limited or a single purpose that is not perpetual. Ad hoc Committees shall not be created by formal action of the Board and shall be dissolved once the specific task is completed.

**1.2. Standing Committees.** The District Bylaws shall reference and list the Board Standing Committees which shall meet regularly to review reports from District staff, legal counsel, and consultants relating to the subject matter of the committee. Annually at the first Board meeting following the election of officers the Board President shall appoint three Board members to each Standing Committee and a chairperson. The Board Treasurer shall serve as the Chair of the Finance, Legal and Administrative Committee (F&A Committee). There shall be the following Standing Committees:

**1.2.1. Program Committee.** The Program Committee shall be responsible for oversight and for making recommendations to the Board on District matters related to grant-making and related programs. This committee may also include





community members (Volunteer Members) as outlined in the Volunteer Member Guidelines below. A student representative may also be added at the discretion of the committee.

**1.2.2. Finance, Legal, and Administration Committee (F&A).** This committee shall be responsible for review of, and making recommendations to the Board where appropriate on, matters related to finance, administration, human resources, property management, legal affairs (including legislation), real estate, and information systems (IS). In addition to Volunteer Members, this committee may also include a student representative at the discretion of the committee.

**1.2.3. Strategic Planning Committee.** This committee shall meet quarterly or more often, if needed, and shall be responsible for monitoring the District's progress in achieving the goals and expectations outlined in the District's strategic plan.

**1.2.4. Hospital Lease Oversight Committee.** This committee shall meet quarterly or more often, if needed, and shall be charged with oversight responsibilities to ensure compliance with the terms of the current Lease of Desert Regional Medical Center.

**1.2.5. Volunteer Committee Members.** The Program Committee may include up to five (5) Volunteer Members, and the F&A Committee may include up to three (3) Volunteer Members. Volunteer Members shall be subject to the Volunteer Member Guidelines below.

**2. VOLUNTEER MEMBER GUIDELINES.** Volunteer Member guidelines outline the requirements for Volunteer Members to participate on District Standing Committees. Unless otherwise provided, the appointment process, and guidelines will be the same for all committees. Interviews for Volunteer Members shall be in the discretion of the committee. All Volunteer Members shall either reside or be primarily employed within or serve the District and shall be subject to approval of the full Board of Directors.

**2.1. Volunteer Member Term.** Volunteer Members shall serve one (1) three-year



term. At the end of the three-year term, a Volunteer Member may provide a written request to the Board for consideration to continue to serve on the committee. Any openings or reappointments on the committee will be considered at the end of the term. Any Volunteer Member who is employed by or sits on the Board of Directors of a grantee, is ineligible to serve on the committee within one year of filing a grant proposal and will be required to resign from the committee. All Volunteer Members who are termed out or resign due to applying or receiving a grant must wait a minimum of one year before reapplying to become a Volunteer Member.

**2.2. Vacancies.** Volunteer Members who miss three consecutive unexcused meetings may be removed at the discretion of the Committee chairperson. In the event of the vacancy of a Volunteer Member, notice of the vacancy and application process shall be published on the District website for a minimum of 14 days. The committee chairperson shall also have the discretion to publish notice of the vacancy and application process in a local newspaper of general circulation. Community members shall submit applications to become a Volunteer Member and their qualifications in writing to the District office. The Committee shall conduct interviews of qualified applicants. The Committee selections will be recommended to the Board for approval.

**2.3. Meetings and Voting.** The Committees meet on a monthly basis as necessary prior to meetings of the full Board. Meetings are convened by the committee chairperson in coordination with District staff. In accordance with their responsibilities, Volunteer Members shall participate in the committee process including participating in voting at the committee meetings and making recommendations to the full Board. However, votes and recommendations of Volunteer Members while noted in the record shall be advisory in nature only. The votes of the District Board Representatives shall be the recommendation, which shall be forwarded to the full District Board of Directors for consideration.

**2.4. Conflicts of Interest.** Volunteer Members shall not make or influence a recommendation or decision related to any committee recommendation which will benefit



the Volunteer Member's outside employment, business, or personal financial interest or benefit an immediate family member, such as a spouse, child or parent. A Volunteer Member shall not participate, discuss or vote on any issue, or recommendation which directly inures to his or her financial interest or with respect to which he or she has any other conflict of interest. Volunteer Members shall follow the adopted District Conflict of interest Code in accordance with California law.

**3. PROGRAM COMMITTEE.** In accordance with the District's mission and strategic plan, the grant program provides funds to qualified nonprofit and governmental grantees to make positive impacts on community health and improve access to health care. The Program Committee recommends grant making policy to the Board of Directors and guides and monitors District grant making functions and program-related activities through which the District carries out its strategic plan to improve the health of the District's residents. This committee may include up to five Volunteer Members, and may include a student representative.

**3.1. Responsibilities.** The responsibilities of the Program Committee include the following:

- To identify trends and healthcare needs that can be addressed by the District and provide input on needs assessments conducted by District staff.
- To provide vision and guidance on the development of the District's strategic plan.
- To provide advice, counsel and feedback to staff as needed during program development.
- To monitor implementation of the District's strategic plan and program-related activities to ensure programs are achieving the desired impact.
- To identify key program issues to be discussed at the Board level.
- To consider grant proposals and recommendations provided by staff and make recommendations of grants to approve to the District's Board of Directors.



**4. F&A COMMITTEE.** In accordance with the District Bylaws, this committee shall be responsible for oversight and for making recommendations to the Board where appropriate on matters related to finance, administration, human resources, property management, legal affairs, (including legislation) real estate and information systems (IS). This committee may include up to three Volunteer Members, and may include a student representative.

**4.1 Responsibilities.** The responsibilities of the F&A Committee include the following:

- To understand the financial needs and conditions of the District.
- To provide objective perspective regarding finances.
- To provide advice, counsel and feedback to the committee as requested during budget development.

**5. STRATEGIC PLANNING COMMITTEE.** In accordance with the District Bylaws, this committee shall meet quarterly and more often, if needed, and shall be responsible for monitoring the Districts' progress in achieving the expectations outlined in the District's strategic plan.

**5.1 Responsibilities.** The responsibilities of the Strategic Planning Committee include the following:

- Responsible for monitoring the District's progress in achieving the expectations outlined in its strategic plan.
- To monitor implementation of the District's strategic plan and program-related activities to ensure programs/initiatives are achieving the desired impact.

**6. HOSPITAL LEASE OVERSIGHT COMMITTEE.** In accordance with the District Bylaws, this committee shall meet quarterly or more often, if needed, and shall be responsible for oversight to ensure compliance with the terms of the current lease of Desert Regional Medical Center.

**6.1 Responsibilities.** The responsibilities of the Hospital Lease Oversight Committee include the following:





- Review of all mandated Hospital operation scores and reports performed by independent third parties.
- Review of quarterly inspections of Hospital facilities.
- Provide updates to the Board of Directors.
- Provide written reports on activities of the Hospital.
- Provide an annual report reflective of lease requirements from lessee.

**7. RESPONSIBILITIES AND VOLUNTEER AGREEMENT.** As a Volunteer Committee Member, I understand and agree that I am responsible, collectively with my fellow committee members, for guiding and monitoring District activities through which the Desert Healthcare District pursues its strategic plan to improve the health of the District's residents. I agree to the following responsibilities and criteria:

Volunteer Members of the District Committees are expected to, and agree to:

1. Make every effort to attend all Committee meetings, including any special scheduled meetings. If any member is absent for three or more meetings within a calendar year, that individual's appointment to this committee will be reviewed.
2. Thoroughly read and understand all the materials in the Committee Orientation Manual and attend any orientation or training sessions and be willing to be a "continual learner" about all matters of importance to philanthropy and to the District, and to take advantage of learning opportunities offered.
3. To participate in providing vision and guidance on the development of the District's strategic plan.
4. To participate in monitoring implementation of the District's strategic plan and program related activities to ensure programs are achieving the desired impact.
5. Review all respective committee packets, and any other materials provided



by staff prior to each meeting.

6. Actively participate in committee discussions and deliberations and wisely consider each matter on which the committee is asked to vote.
7. Consider all matters brought before the committee objectively and "on the merits" and make decisions that best represent the interests of the District.
8. Be supportive of the decisions of the committee and the District.
9. Be willing to compromise, if necessary, in order to foster a cooperative atmosphere for all the people who participate in the work of the District.
10. Abide by the Conflict of interest Policy by disclosing any potential conflicts and abstaining from voting or advocating on issues related to conflicts of interest.

\_\_\_\_\_  
Volunteer Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Committee Chair Person

\_\_\_\_\_  
Date



**POLICY TITLE:** **APPOINTMENT & DUTIES FOR COMMITTEES**

**POLICY NUMBER:** BOD-3

**DRAFT DATE:** 03-22-16 -Revised at ~~43-236~~-19 BOD Mtg

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**1.2.1. Program Committee.** The Program Committee shall be responsible for oversight and for making recommendations to the Board on District matters related to grant-making and related programs. This committee may also include



community members (Volunteer Members) as outlined in the Volunteer Member Guidelines below. A student representative may also be added ~~in~~at the discretion of the committee.

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**1.2.3. Strategic Planning Committee.** This committee shall meet quarterly or more often, if needed, and shall be responsible for monitoring the District's progress in achieving the goals and expectations outlined in the District's strategic plan.

**1.2.4. Hospital ~~Lease~~Governance and Oversight Committee.** ~~This committee shall meet quarterly or more often, if needed, and over two District Directors appointed to the Desert Regional Hospital Governing Board plus one other Board member shall serve on this committee, which~~ shall be charged with ~~responsible for~~ oversight responsibilities to ensure compliance with the terms of the current Lease of Desert Regional Medical Center.

**1.2.5. Volunteer Committee Members.** The Program Committee may include up to five (5) Volunteer Members, and the F&A Committee may include up to three (3) Volunteer Members. Volunteer Members shall be subject to the Volunteer Member Guidelines below.

**2. VOLUNTEER MEMBER GUIDELINES.** Volunteer Member guidelines outline the requirements for Volunteer Members to participate on District Standing Committees. Unless otherwise provided, the appointment process, and guidelines will be the same for all committees. Interviews for Volunteer Members shall be in the discretion of the





committee. All Volunteer Members shall either reside or be primarily employed within or serve the District and shall be subject to approval of the full Board of Directors.

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recommendation, which shall be forwarded to the full District Board of Directors for consideration.

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- To monitor implementation of the District's strategic plan and program-related activities to ensure programs are achieving the desired impact.
- To identify key program issues to be discussed at the Board level.



- To consider grant proposals and recommendations provided by staff and make recommendations of grants to approve to the District's Board of Directors.

**4. F&A COMMITTEE.** In accordance with the District Bylaws, this committee shall be responsible for oversight and for making recommendations to the Board where appropriate on matters related to finance, administration, human resources, property management, legal affairs, (including legislation) real estate and information systems (IS). This committee may include up to three Volunteer Members, and may include a student representative.

**4.1 Responsibilities.** The responsibilities of the F&A Committee include the following:

- To understand the financial needs and conditions of the District.
- To provide objective perspective regarding finances.
- To provide advice, counsel and feedback to the committee as requested during budget development.

**5. STRATEGIC PLANNING COMMITTEE.** In accordance with the District Bylaws, this committee shall meet quarterly and more often, if needed, and shall be responsible for monitoring the District's progress in achieving the expectations outlined in the District's strategic plan.

**5.1 Responsibilities.** The responsibilities of the Strategic Planning Committee include the following:

- Responsible for monitoring the District's progress in achieving the expectations outlined in its strategic plan.
- To monitor implementation of the District's strategic plan and program-related activities to ensure programs/initiatives are achieving the desired impact.

**6. HOSPITAL LEASE GOVERNANCE AND OVERSIGHT COMMITTEE.** In



accordance with the District Bylaws, this committee ~~shall include the two District Directors appointed to the Desert Regional Hospital Governing Board plus one other District Board member. This committee~~ shall meet quarterly or more often, if needed, and shall be responsible for oversight to ensure compliance with the terms of the current lease of Desert Regional Medical Center.

**6.1 Responsibilities.** The responsibilities of the Hospital ~~Governance and Lease~~ Oversight Committee include the following:

- Review of all mandated Hospital operation scores and reports performed by independent third parties.
- Review of quarterly inspections of Hospital facilities.
- Provide monthly updates to the Board of Directors.
- Provide written reports on activities of the Hospital.
- Provide an annual report reflective of lease requirements from lessee.

**7. RESPONSIBILITIES AND VOLUNTEER AGREEMENT.** As a Volunteer Committee Member, I understand and agree that I am responsible, collectively with my fellow committee members, for guiding and monitoring District activities through which the Desert Healthcare District pursues its strategic plan to improve the health of the District's residents. I agree to the following responsibilities and criteria:

Volunteer Members of the District Committees are expected to, and agree to:

1. Make every effort to attend all Committee meetings, including any special scheduled meetings. If any member is absent for three or more meetings within a calendar year, that individual's appointment to this committee will be reviewed.
2. Thoroughly read and understand all the materials in the Committee Orientation Manual and attend any orientation or training sessions and be willing to be a "continual learner" about all matters of importance to



philanthropy and to the District, and to take advantage of learning opportunities offered.

3. To participate in providing vision and guidance on the development of the District's strategic plan.
4. To participate in monitoring implementation of the District's strategic plan and program related activities to ensure programs are achieving the desired impact.
5. Review all respective committee packets, and any other materials provided by staff prior to each meeting.
6. Actively participate in committee discussions and deliberations and wisely consider each matter on which the committee is asked to vote.
7. Consider all matters brought before the committee objectively and "on the merits" and make decisions that best represent the interests of the District.
8. Be supportive of the decisions of the committee and the District.
9. Be willing to compromise, if necessary, in order to foster a cooperative atmosphere for all the people who participate in the work of the District.
10. Abide by the Conflict of interest Policy by disclosing any potential conflicts and abstaining from voting or advocating on issues related to conflicts of interest.

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Volunteer Name

Date

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Committee Chair Person

Date



**AMENDED AND RESTATED BYLAWS AND RULES  
OF  
DESERT HEALTHCARE DISTRICT**

**ARTICLE I. DEFINITIONS**

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- 1.3 “Director” means a member of the Board.
- 1.4 “District” means the Desert Healthcare District.
- 1.5 “Lease” means lease of the Hospital to Tenet HealthSystem Desert, Inc.
- 1.6 “President” means the president of the Board.
- 1.7 “Vice President/Secretary” means the vice president/secretary of the Board.
- 1.8 “Treasurer” means the treasurer of the Board.

**ARTICLE II. ORGANIZATION, POWERS, AND MISSION STATEMENT**

- 2.1 **NAME.** The name of the District is the “Desert Healthcare District.”

- 2.2 **SEAL.** The District shall have a seal which shall be circular in form and have in the perimeter thereof the following inscription:

“Desert Healthcare District  
Incorporated December 14, 1948  
California”

- 2.3 **ORGANIZATION.** The District is a political subdivision of the State of California organized under the Local Healthcare District Law, Division 23 of the California Health and Safety Code as now in effect or as amended in the future. The District operates under and has all of the rights and responsibilities set forth in The Ralph M. Brown Act, Government Code section 54950 and following as now in effect or as amended in the future.
- 2.4 **PURPOSES AND POWERS.** The District is organized for the purposes described in the Local Healthcare District Law and shall have and exercise such powers in the furtherance of its purposes as are now or may hereafter be set forth in the Local Healthcare District Law and any other applicable statutes, rules, or regulations of the State of California. The Hospital is operated by Tenet HealthSystem Desert, Inc., pursuant to a lease dated May 31, 1997, as amended between Tenet Healthcare, Inc., and the District. The District oversees Tenet’s compliance with said lease and ensures that the District asserts all of its rights and obligations pursuant to the terms of the lease.
- 2.5 **MISSION STATEMENT.** The mission of the Desert Healthcare District is to achieve optimal health for all stages of life for all District residents.

### ARTICLE III. OFFICES

- 3.1 **PRINCIPAL OFFICE.** The principal office of the District is located at 1140 North Indian Canyon Drive, Palm Springs, California 92262.

### ARTICLE IV. BOARD

- 4.1 **GENERAL POWERS.** The Board is the governing body of the District. All District powers shall be exercised by or under the direction of the Board. The Board is authorized to make appropriate delegations of its powers and authority to officers and employees of the District.
- 4.2 **NUMBER AND QUALIFICATION.** The Board shall consist of seven (7) members, each of whom shall be a registered voter residing in the District.
- 4.3 **ELECTION AND TERM OF OFFICE.** An election shall be held in the District on the first Tuesday after the first Monday in November in each even-numbered year, at which time a successor shall be chosen to each Director whose term shall expire at noon on the first Friday of December following such election. The election of Board members shall be an election by zones pursuant to Health & Safety Code 32499.3 and shall be consolidated with the statewide general election. The candidates receiving the highest number of votes for the offices to be filled at the election shall be elected thereto. The term of office of each elected Board member shall be four (4) years or until the Board member's successor is elected and has qualified, except as otherwise provided by law in the event of a vacancy.
- 4.4 **VACANCIES.** The remaining Board members may fill any vacancy on the Board by appointment in accordance with Government Code section 1780, as

amended, which sets forth the procedure for filling a vacancy of an elective office on a governing board of a special district.

- 4.5 **RESIGNATION OR REMOVAL.** Any Board member may resign effective upon giving written notice to the President, the Secretary, or the Board, unless the notice specified a later time for the effectiveness of such resignation. In accordance with Health & Safety Code section 32100.2, as amended, the term of any member of the Board shall expire if the member is absent from three (3) consecutive regular meetings or from three (3) of any five (5) consecutive meetings of the Board, and if the Board by resolution declares that a vacancy exists on the Board. All or any of the members may be recalled at any time by the voters following the recall procedure set forth in Division 11 of the Election Code.
- 4.6 **COMPENSATION.** The Board shall serve without compensation except that the Board, by resolution adopted by majority vote, may provide compensation for attendance at meetings in accordance with Health and Safety Code section 32103 as amended.
- 4.7 **HEALTH BENEFITS.** Pursuant to Government Code section 53200 et seq., the Board, by resolution adopted by a majority vote, may provide for health benefits to Board members, employees, retired employees, and retired Board members as allowed by law.

## ARTICLE V. BOARD MEETINGS

- 5.1 **REGULAR MEETINGS.** Regular meetings of the Board of Directors shall be held on the fourth Tuesday of each month, excepting August, at 5:30 p.m. in the Regional Access Project (RAP) Foundation Building, 41550 Eclectic Street, Palm Desert, California 92260 unless otherwise designated in the Agenda Notice; provided, however, that should said date fall upon a legal holiday, then the meeting shall be held at the same time on the next business day.
- 5.2 **ORGANIZATION MEETING.** At the first regular Board meeting in December, the Board shall organize by the election of one of its members as President, one as Vice-President/Secretary, and one as Treasurer.
- 5.3 **SPECIAL MEETING.** A special meeting may be called at any time by the President, or by four (4) Board members by delivering written notice to each Board member and to each local newspaper of general circulation, radio or televisions station requesting such notice in writing, personally or by mail. Such notice must be delivered personally or by mail at least twenty-four (24) hours before the time of such meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at special meetings. Such written notice may be dispensed with as to any Board member who, at or prior to the time the meeting convenes, files with the Secretary a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.



- 5.4 QUORUM. A majority of the members of the Board shall constitute a quorum for the transaction of business. The act of a majority of the Board members present at a meeting at which a quorum is present shall be the act of the Board.
- 5.5 ADJOURNMENT. The Board may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the meeting was held within twenty-four (24) hours after the time of adjournment.
- 5.6 RULES AND REGULATIONS. The Board may adopt rules and regulations governing the Board, the District, its facilities and programs, which rules and regulations shall not conflict with these bylaws.
- 5.7 RULES OF ORDER. Unless otherwise provided by law, these bylaws, or Board rules, Board meeting procedures shall be in accordance with *Robert's Rules of Order Newly Revised*. However, technical failure to follow *Robert's Rules of Order* shall not invalidate any action taken. The President may make and second motions and vote in the same manner as other Board members.

## ARTICLE VI. COMMITTEES

- 6.1 **APPOINTMENT.** All Board committee members, whether standing or special (ad hoc), shall be appointed by the President. The chairperson of each committee shall be appointed by the President. All committees shall be advisory only to the Board unless otherwise specifically authorized to act by the Board.
- 6.2 **STANDING COMMITTEES.** Standing committees shall meet periodically to review reports from District staff, legal counsel, and consultants relating to the particular subject matter of the committee. There shall be the following standing committees:
- (a) Finance, Legal, Administration and Real Estate. This committee shall be responsible for making recommendations to the Board where appropriate on matters related to finance, administration, human resources, property management, legal affairs, (including legislation) real estate, and information systems (IS).
  - (b) Strategic Planning. This committee shall meet quarterly, or more often if needed, and shall be responsible for monitoring the District's progress in achieving the expectations outlined in its strategic plan.
  - (c) Hospital Lease Oversight. This committee, shall meet quarterly, or more often if needed, and shall be charged with oversight responsibilities to ensure compliance with the terms of the current lease of Desert Regional Medical Center.
  - (d) Program Committee. This committee shall be responsible for the oversight and for making recommendations to the Board where

appropriate on District matters related to its grant making and related programs.

- 6.3 **SPECIAL COMMITTEES.** Special committees may be appointed by the President for special tasks as circumstances warrant, and upon completion of the task for which appointed such special committee shall stand discharged.
- 6.4 **CONSULTANTS.** A committee chairman may invite additional individuals with expertise in a pertinent area to meet with and assist the committee. Such consultants shall not vote or be counted in determining the existence of a quorum and may be excluded from any committee session. A committee chairman may exclude any or all consultants from attending a committee meeting.
- 6.5 **MEETING AND NOTICE.** Meetings of a committee may be called by the President of the Board, the chairman of the committee, or by a majority of the committee's members.
- 6.6 **QUORUM.** A majority of the Board members of a committee shall constitute a quorum for the transaction of business at any meeting of such committee. A committee member may designate an alternate Board member to attend a scheduled committee meeting in the event the committee member is unable to attend. Each committee shall keep minutes of its proceedings and shall report periodically to the Board.
- 6.7 **MANNER OF ACTING.** The act of a majority of the members of a committee present at a meeting which a quorum is present shall be the act of the committee. No act taken at a meeting at which less than a quorum was present shall be valid unless approved in writing by the absent members.

6.8 TENURE. Each member of a committee shall hold office until the organizational meeting of the Board at its first meeting in December and until a successor is appointed. Any member of a committee may be removed at any time by the President subject to the consent of the Board. A member of the Board shall cease to hold committee membership upon ceasing to be a Board member.

6.9 TEMPORARY APPOINTMENTS. The President may appoint a temporary committee member to serve during the absence of a regular committee member or the President may serve.

#### ARTICLE VII. OFFICERS

7.1 PRESIDENT. The Board shall elect one of its members as President at the first regular meeting in December of each year, and the President shall hold office until a successor is elected. The President shall be the principal officer of the District and the Board and shall preside at all meetings of the Board. The President shall appoint all Board committee members and committee chairman and shall perform all duties incident to the office and such other duties as may be prescribed by the Board from time to time.

7.2 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, and the Vice President shall hold office until a successor is elected. In the absence of the President, the Vice President/Secretary shall perform the duties of the President. The Vice President/Secretary shall provide for keeping of the minutes of all meetings of the Board. The Vice President/Secretary shall give or cause to be given appropriate notices in

accordance with these bylaws or as required by law and shall act as custodian of District records and reports and of the District's seal.

- 7.3 TREASURER. The Board shall appoint a Treasurer who shall serve at the pleasure of the Board. The Treasurer shall be charged with the safekeeping and disbursal of the funds in the treasury of the District.

#### ARTICLE VIII. LOCAL GOVERNING BOARD

- 8.1 In accordance with the 1997 Lease Agreement, the District appoints two (2) District Board members to serve on the Desert Regional Medical Center governing board. Said members shall act as liaisons to the District Board and shall periodically report to the District Board on the affairs of the governing board. The President shall be responsible for appointing the two (2) District Board members to serve on the Hospital governing board in accordance with the rules and regulations of the bylaws of the governing board.

#### ARTICLE IX. AMENDMENT

- 9.1 These bylaws may be amended or repealed by vote of at least four (4) members of the Board at any Board meeting. Such amendments or repeal shall be effective immediately.



**AMENDED AND RESTATED BYLAWS AND RULES  
OF  
DESERT HEALTHCARE DISTRICT**

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**ARTICLE II. ORGANIZATION, POWERS, AND MISSION STATEMENT**

- 2.1 NAME. The name of the District is the “Desert Healthcare District.”

Updated April 23, 2019

- 2.2 SEAL. The District shall have a seal which shall be circular in form and have in the perimeter thereof the following inscription:

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Incorporated December 14, 1948  
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- 2.3 ORGANIZATION. The District is a political subdivision of the State of California organized under the Local Healthcare District Law, Division 23 of the California Health and Safety Code as now in effect or as amended in the future. The District operates under and has all of the rights and responsibilities set forth in The Ralph M. Brown Act, Government Code section 54950 and following as now in effect or as amended in the future.
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Updated April 23, 2019

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Updated April 23, 2019



amended, which sets forth the procedure for filling a vacancy of an elective office on a governing board of a special district.

- 4.5 RESIGNATION OR REMOVAL. Any Board member may resign effective upon giving written notice to the President, the Secretary, or the Board, unless the notice specified a later time for the effectiveness of such resignation. In accordance with Health & Safety Code section 32100.2, as amended, the term of any member of the Board shall expire if the member is absent from three (3) consecutive regular meetings or from three (3) of any five (5) consecutive meetings of the Board, and if the Board by resolution declares that a vacancy exists on the Board. All or any of the members may be recalled at any time by the voters following the recall procedure set forth in Division 11 of the Election Code.
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5.6 RULES AND REGULATIONS. The Board may adopt rules and regulations governing the Board, the District, its facilities and programs, which rules and regulations shall not conflict with these bylaws.

5.7 RULES OF ORDER. Unless otherwise provided by law, these bylaws, or Board rules, Board meeting procedures shall be in accordance with *Robert's Rules of Order Newly Revised*. However, technical failure to follow *Robert's Rules of Order* shall not invalidate any action taken. The President may make and second motions and vote in the same manner as other Board members.

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  - (b) Strategic Planning. This committee shall meet quarterly, or more often if needed, and shall be responsible for monitoring the District's progress in achieving the expectations outlined in its strategic plan.
  - (c) Hospital ~~Lease~~Governance and Oversight. This committee, ~~represented by the Directors appointed to membership on the Desert Regional Hospital Governing Board, and up one other Board~~ shall meet quarterly, or more often if needed, and shall be periodically report to the District Board on the activities of the Governing Board and is charged with oversight responsibilities to ensure compliance with the terms of the current lease of Desert Regional Medical Center.

Updated April 23, 2019

(d) Program Committee. This committee shall be responsible for the oversight and for making recommendations to the Board where appropriate on District matters related to its grant making and related programs.

6.3 SPECIAL COMMITTEES. Special committees may be appointed by the President for special tasks as circumstances warrant, and upon completion of the task for which appointed such special committee shall stand discharged.

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6.7 MANNER OF ACTING. The act of a majority of the members of a committee present at a meeting which a quorum is present shall be the act of the

committee. No act taken at a meeting at which less than a quorum was present shall be valid unless approved in writing by the absent members.

6.8 TENURE. Each member of a committee shall hold office until the organizational meeting of the Board at its first meeting in December and until a successor is appointed. Any member of a committee may be removed at any time by the President subject to the consent of the Board. A member of the Board shall cease to hold committee membership upon ceasing to be a Board member.

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7.2 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, and the Vice President shall hold office until a successor is elected. In the absence of the President, the Vice President/Secretary shall perform the duties of the President. The Vice President/Secretary shall provide for



keeping of the minutes of all meetings of the Board. The Vice President/Secretary shall give or cause to be given appropriate notices in accordance with these bylaws or as required by law and shall act as custodian of District records and reports and of the District's seal.

- 7.3 TREASURER. The Board shall appoint a Treasurer who shall serve at the pleasure of the Board. The Treasurer shall be charged with the safekeeping and disbursement of the funds in the treasury of the District.

#### ARTICLE VIII. LOCAL GOVERNING BOARD

- 8.1 In accordance with the 1997 Lease Agreement, the District appoints two (2) District Board members to serve on the Desert Regional Medical Center governing board. Said members shall act as liaisons to the District Board and shall periodically report to the District Board on the affairs of the governing board. The President shall be responsible for appointing the two (2) District Board members to serve on the Hospital governing board in accordance with the rules and regulations of the bylaws of the governing board.

#### ARTICLE IX. AMENDMENT

- 9.1 These bylaws may be amended or repealed by vote of at least four (4) members of the Board at any Board meeting. Such amendments or repeal shall be effective immediately.



**POLICY TITLE:** **MEETING COMPENSATION POLICY**

**POLICY NUMBER:** BOD-\_\_

**REVISED DATE:** \_\_/\_\_/2019

**BOARD APPROVAL DATE:** \_\_/\_\_/2019

Resolution #\_\_-19 \_\_/\_\_/2018

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**POLICY:** Meeting Compensation Guidelines

A) Board Members may receive a stipend for attendance at up to 6 meetings per month, provided the meetings have a healthcare nexus or are related to the District's operations, mission, and vision, and include the following:

1. District Board and Board committee meetings.
2. Meetings for which a District Board member serves on the Desert Regional Medical Center's Board of Directors or its committees.
3. Attendance at ethics training.
4. Conferences and seminars held by organizations in which the District is a member, and for which the conference/seminar has a clear health care related nexus. Board members shall receive one stipend per conference or seminar.
5. Community meetings and events within the District, for which the meeting/event has a clear health care nexus, including the following:
  - a) Board, policy committee, and formal business meetings of organizations in which the District is a member.
  - b) Meetings with other government agencies or officials in which the subject involves health care or District business (e.g., State and local legislative officials, County Health & Human Services).
  - c) Formal Meetings requested or necessitated by the CEO with organizations that receive direct District financial support.

B) Non-compensable meetings shall include the following:

1. Informal meetings with other Board members or with District staff members, regardless of the topic(s) addressed.
2. Meetings of a political nature, whether partisan or non-partisan, regardless of the topic(s) addressed.
3. Meetings for which payment of a stipend or honorarium is provided by the host organization.
4. Meetings of other public bodies, unless invited as a participant by the host body or sent as a delegate by the District Board.
5. Meetings of organizations in which the member holds an individual membership or the primary purpose of which is to receive continuing professional educational credits.
6. Charity fundraising events.

Board members shall have an opportunity to report on meetings attended at the next regularly scheduled Board meeting following the meeting for which a stipend is received.

Any questions regarding interpretations of these guidelines should be addressed to the District's General Counsel.



Date: April 23, 2019  
To: Board of Directors  
Subject: Schedule for new website and branding launch

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**Staff Recommendation:** The District and Foundation's redesigned website, [www.dhcd.org](http://www.dhcd.org), launches in April 2019, with the final installment of branding set for May (information only).

**Background:**

- Graphtek Interactive was contracted in January 2019 to provide website redevelopment and redesign services, working in conjunction with branding services provider Leap Marketing | Creative Agency.
- A soft rollout of the branding began April 1, as communications materials featuring a new logo and tagline were provided internally to District staff and Board Directors. It included the letterhead, staff report template and email signature.
- The implementation of new branding continues in April with external materials such as business cards for Directors and staff and a reimagined social media banner provided by April 30.
- An integral part of the District's communication toolbox is a redeveloped and redesigned website, [dhcd.org](http://dhcd.org), set for an April 22 launch. Promoting the new site primarily includes social media, an announcement through an email blast and other avenues.
- In May, the District and Foundation will publish its first quarterly newsletter, spotlighting its developments and news as well as its community partners and grantees. The free subscription-based newsletter will be promoted and distributed through email, with additional promotion through social media and at District events.

**Fiscal Impact:**

The Board approved on June 26, 2018, a Communications and Marketing budget that covers the new website and branding services.