

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS

ACTION AGENDA SUMMARY

DEPT: Planning and Community Development

BOARD AGENDA # *D-1

Urgent Routine

AGENDA DATE June 10, 2008

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Authorization to Prepare and Submit a \$750,000 Grant Application to the California State Department of Housing and Community Development Under the CalHome Program to Supplement the Stanislaus County Owner-Occupied Housing Rehabilitation Programs

STAFF RECOMMENDATIONS:

1. Authorize the preparation and submission of a \$750,000 grant application to the California State Department of Housing and Community Development under the CalHome Program supplement the Stanislaus County Owner-Occupied Housing Rehabilitation Programs.
2. Direct the Chief Executive Officer to sign the CalHome Grant Resolution, Attachment 1.
3. Authorize the Interim Director of Planning & Community Development, or his designee, to act on all matters relating to the application, if approved, and all other documents required by HCD for participation in the Housing Rehabilitation and First Time Home Buyer CalHome Programs, and any amendments thereto.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

BOARD ACTION AS FOLLOWS:

No. 2008-422

On motion of Supervisor Grover, Seconded by Supervisor DeMartini and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, Monteith, DeMartini and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

- 1) X Approved as recommended
- 2) _____ Denied
- 3) _____ Approved as amended
- 4) _____ Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

DISCUSSION:

The California Department of Housing and Community Development has announced the availability of \$60 million CalHome funds provided by the passage of Proposition 1C, the Housing and Emergency Shelter Trust Fund Act of 2006, to provide funding to local public agencies or non-profit corporations for First Time Home Buyer Mortgage Assistance and Owner-Occupied Rehabilitation Assistance activities.

CalHome funds are available to local government entities that are authorized to engage in or assist in the development of housing or operation of housing programs for households of low or very low-income. The funds are available as a grant to local governments to be distributed as loans to individual households.

Stanislaus County has eleven years of successful experience in its Owner-Occupied Housing Rehabilitation Programs, assisting approximately 60 households in the rehabilitation of their homes. Staff proposes that the subject of this grant application be for Housing Rehabilitation, and if approved, combine with other funding sources available such as Redevelopment Agency Funds. The maximum loan amount per household for the Housing Rehabilitation Program will be up to \$60,000 and will assist between 15 to 25 households during the program cycle.

POLICY ISSUES:

Expansion of the owner-occupied housing rehabilitation program will support the Board's priorities of safe and healthy communities.

STAFFING IMPACT:

No additional staff is required.

ATTACHMENTS:

Exhibit 1: CalHome Program Owner Occupied Housing Rehabilitation Resolution

THE STANISLAUS COUNTY BOARD OF SUPERVISORS

HEREBY AUTHORIZES THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE CALHOME PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT IF SELECTED FOR SUCH FUNDING AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE CALHOME PROGRAM.

WHEREAS:

- A. Stanislaus County, a political subdivision of the State of California or nonprofit public benefit corporation, wishes to apply for and receive an allocation of funds through the CalHome Program; and
- B. The California Department of Housing and Community Development (hereinafter referred to as "HCD") has issued a Notice of Funding Availability ("NOFA") for the CalHome program established by Chapter 84, Statutes of 2000 (SB 1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the "statute"). Pursuant to the statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome program, subject to the terms and conditions of the statute and the CalHome Program Regulations adopted by HCD in April 2004; and
- C. Stanislaus County wishes to submit an application to obtain from HCD an allocation of CalHome funds in the amount of **\$750,000**.

IT IS NOW THEREFORE RESOLVED THAT:

1. Stanislaus County shall submit to HCD an application to participate in the CalHome Program in response to the NOFA issued on **April 18, 2008** which will request a funding allocation for the following activities:

Owner-Occupied Housing Rehabilitation assistance to low and very low-income households (at or below 80% of Area Median Income). Eligible households will be assisted with loans of up to \$60,000 from the following sources: CalHome and Stanislaus County Redevelopment Agency.

All assisted households will be located in unincorporated areas of Stanislaus County.
2. If the application for funding is approved, the Stanislaus County hereby agrees to use the CalHome funds for eligible activities in the manner presented in the application as approved by HCD and in accordance with program regulations cited above. It also may execute any and all other instruments necessary or required by HCD for participation in the CalHome Program.

3. Stanislaus County authorizes Chief Executive Officer to execute, in the name of Stanislaus County, the application. If the application is approved for funding, Stanislaus County authorizes the Director of Planning and Community Development, or his designee, to execute the Standard Agreement, and all other documents required by HCD for participation in the Housing Rehabilitation and First Time Home Buyer CalHome Programs, and any amendments thereto.

PASSED AND ADOPTED THIS 10th Day of June, 20 08, by the following vote:

AYES: O'Brien, Grover, Monteith, DeMartini, and Chairman Mayfield

NAYS: None

ABSTAIN: None

ABSENT: None

The undersigned Clerk of the Board of Stanislaus County there before named does hereby attest and certify that the foregoing is a true and full copy of a resolution of the Governing Board adopted at a duly convened meeting on the date above-mentioned, which has not been altered, amended or repealed.


ATTEST: CHRISTINE FERRARO TALLMAN, Clerk
Stanislaus County Board of Supervisors,
State of California

June 10, 2008
Date

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD 213 (Rev 06/03)

AGREEMENT NUMBER

08-CALHOME-4939

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:
STATE AGENCY'S NAME

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

CONTRACTOR'S NAME

Stanislaus County

2. The term of this Agreement is: Upon HCD Approval through 09/09/2011

3. The maximum amount of this Agreement is: \$750,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Authority, Purpose and Scope of Work	3
Exhibit B - Budget Detail and Payment Provisions	1
Exhibit C - HCD General Terms and Conditions	5
Exhibit D - State of California General Terms and Conditions	5
Exhibit E - Special Terms and Conditions	0
Exhibit F - Additional Provisions	0

TOTAL NUMBER OF PAGES ATTACHED: 14 pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

California Department of
General Service
Use Only

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc)
Stanislaus County

BY (Authorized Signature)



DATE SIGNED (Do not type)

12/9/08

MAY 14 2009

PRINTED NAME AND TITLE OF PERSON SIGNING

Kirk Ford, Interim Director of Planning & Community Development

ADDRESS

1010 10th Street, Modesto, CA 95354

STATE OF CALIFORNIA

AGENCY NAME

Department of Housing and Community Development

BY (Authorized Signature)



DATE SIGNED (Do not type)

5/13/09

PRINTED NAME AND TITLE OF PERSON SIGNING

Stacy Q. Hernandez, Contracts Manager, Budget and Contracts Branch

ADDRESS

1800 Third Street, Room 350, Sacramento, CA 95811

Exempt per: SCM 4.04.3 (DGS Memo dated 6/12/81)

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

(Owner-Occupied Rehabilitation)

Section 1 - Authority & Purpose

This Standard Agreement (hereinafter "Agreement") will provide official notification of a conditional funding commitment under the CalHome Program ("Program") administered by the State Department of Housing and Community Development (variously, "Department," or "State") as authorized by and pursuant to Chapter 6 of Part 2 of Division 31 of the Health and Safety Code, commencing with Section 50650 ("CalHome Statutes") and regulations found in Title 25 of the California Code of Regulation, Division 1, Chapter 7, Subchapter 9 commencing with Section 7715 ("CalHome Regulations"), all as amended and in effect from time to time. In accepting this conditional funding commitment, the Contractor agrees to comply with: (a) the CalHome Statutes; (b) the CalHome Regulations; (c) the terms and conditions of the Program Homeownership Project Development Notice of Funding Availability dated April 18, 2008 ("NOFA"), which NOFA is incorporated herein by this reference; (d) the representations contained in the Contractor's application made in response to the NOFA ("Application"); and (e) the terms and conditions of this Agreement.

All funds provided through this Agreement are general obligation bond funds pursuant to the Housing and Emergency Shelter Trust Fund Act of 2006. As such, pursuant to Government Code section 16727, Contractor shall ensure that expenditures of the Program grant or loan are limited to those costs associated with the acquisition, rehabilitation or construction of capital assets.

Section 2 - Scope of Work

- A. Contractor shall perform the Scope of Work ("Work") as described in the Application, which is on file at the Department of Housing and Community Development, Division of Financial Assistance, 1800 Third Street, Room 390, Sacramento, California and which is incorporated herein by reference. All written materials or alterations submitted as addenda to the original Application and which are approved in writing by the CalHome Program Manager or higher Departmental official, as appropriate, are hereby incorporated as part of the Application. In the event of a conflict between the description of the Work in the Application as described in this Exhibit, the description in this Exhibit shall prevail. The Department reserves the right to require the Contractor to modify any or all parts of the Application in order to comply with the CalHome Statutes or Regulations. The Department reserves the right to review and approve all Work to be performed by the Contractor in relation to this Agreement. Any proposed amendment to the Work must be submitted in writing for review and approval by the Department. Any approval shall not be presumed unless such approval is made by the Department in writing.
- B. The Work generally shall consist of:
1. Administration of a low-income owner-occupied rehabilitation program.

EXHIBIT A

Section 3 - Amount of Agreement

The amount of this Agreement for the Work described herein is:

\$750,000.00

Section 4 - Completion Dates

- A. All funds remaining unexpended as of **July 9, 2011**, shall be disencumbered.
- B. This Agreement shall expire on **September 9, 2011**.

Section 5 - State Contract Coordinator

The coordinator of this Agreement for the Department is the Program Manager of the CalHome Program, Division of Financial Assistance, or the Program Manager's designee. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class mail to the State Coordinator at the following address:

State CalHome Program Manager
Department of Housing and Community Development
Division of Financial Assistance
P. O. Box 952054, MS 390-2
Sacramento, California 94252-2054
Phone: (916) 327-8255

Section 6 - Contractor Contract Coordinator

The Contractor's contact for this Agreement is listed below. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class mail to the contact at the following address:

Contractor: Stanislaus County	
Name: Richard W. Robinson, Chief Executive Officer	
Phone: 209-525-6330	
Fax:	
Address: 1010 10 th Street Modesto, CA 95354	

EXHIBIT A

Section 7 – Special Conditions

Program will be operated entirely within Federally Qualified Census Tracts as listed in the application.

Program will be operated entirely within a Redevelopment Area.

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS
(Owner-Occupied Rehabilitation)

- A. Payments to Contractor for mortgage assistance shall be on an advance or reimbursement basis. Upon the effective date of this Agreement, and upon submission of the required draw request form(s) and submission of any Department required documentation, Contractor may obtain an advance of funds in an amount not to exceed 25% of the total amount provided under this Agreement. As these funds are used for eligible expenditures, the Contractor shall forward all required documentation to the Contract Manager. When two-thirds (2/3) of the initial disbursement of CalHome Program funds on hand has been expended, the contractor may request the next advance of 25% of the total amount provided under this Agreement. This procedure of advances shall continue until the total amount provided under this Agreement is expended. This system of advances is subject to the requirements of Exhibit A, Section 4A, Completion Dates, of this Agreement.
- B. The Department reserves the right to request copies of any documentation at any time prior to, or after the processing of any draw request.
- C. As a condition of the first draw of funds, Contractor Shall submit for the Department review and approval:
 - 1. Program guidelines describing the Contractor's owner-occupied rehabilitation program per CalHome Program Regulations Section 7735(a); (b) written procedures for long-term loan servicing; (c) a copy of Reuse Account Plan; (d) an executed 20-year Monitoring Agreement provided by the Department; and (e) copies of the promissory note and deed of trust that will be used by the Contractor.

EXHIBIT C

HCD GENERAL TERMS AND CONDITIONS

1. Effective Date and Commencement of Work

This Agreement is effective upon approval by the Department which is the date stamped in the lower right hand corner of page one of this Agreement. The Contractor agrees that Work shall not commence, nor any costs to be paid with CalHome funds be incurred or obligated by any party prior to execution of this Agreement by the Department, completion of all required environmental clearances, and compliance with the applicable conditions of this Agreement. The Contractor agrees that the Work shall be completed in accordance with the date specified in Exhibit A, Section 4A. This Agreement shall terminate on the date set forth in Exhibit A, Section 4C.

2. Amount and Form of Funding

A. For the purposes of performing the Work, the Department agrees to provide to the Contractor the amount specified in Exhibit A, Section 3; Amount of Agreement. In no instance shall the Department be liable for any costs for the Work in excess of this amount, nor for any unauthorized or ineligible costs.

B. The Department shall provide funding in the following forms:

1. As a grant, if the Work consists of a program to provide: loans to first-time homebuyers for down payment assistance; or loans to owner-occupants for rehabilitation.
2. As a secured development loan that may convert to a grant, if the Work consists of a new construction homeownership project.
3. As a secured permanent-only loan if the Work consists of assistance to a mutual housing or cooperative development.

3. Permitted Uses of Funds

The Contractor shall use funds provided pursuant to this Agreement only for performance of the Work, and consistent with the requirements of the NOFA and the CalHome Regulations.

4. Termination and Breach

A. In the event of the Contractor's failure to satisfy or comply with any term or condition in this Agreement or with respect to the loan documents, if any, specified in Exhibit B, Budget Detail and Payment Provisions, within the time and in the manner specified, after written notice to the Contractor by the Department specifying: (1) the breach; (2) the action required to cure such breach; and (3) a date, not less than fifteen (15) days from the date of receipt of such notice by the Contractor, by which such breach must be cured, the Department may withdraw its conditional commitment or the balance thereof and be released from any further obligation to the Contractor after notifying the Contractor in writing of the

EXHIBIT C

Department's intention to terminate this Agreement.

- B. In the event of such breach the Department may also take such action or seek such remedies as are provided in any other executed loan documents.
- C. Unless otherwise approved by the Department, upon termination of this Agreement, the Contractor shall complete all the Work in progress and terminate any other activities that were to be paid for with Program funds. Any unexpended funds received by the Contractor shall be returned to the Department within 15 days of the notice of termination.

5. Insurance

- A. Prior to the disbursement of funds under this Agreement and thereafter during the term hereof, the Contractor shall obtain, carry, and maintain in force, comprehensive general liability insurance in the amount of not less than one million dollars (\$1,000,000) for injury to or death of one person, one million dollars (\$1,000,000) for injury to or death of more than one person in one accident, and adequate property damage insurance. All insurance carriers must meet the requirements of the State of California Department of Insurance.
- B. Upon demonstration of cause satisfactory to the Department, the requirements of subparagraph "A" may be satisfied by the Contractor providing evidence of an alternative to conventional insurance sufficient to provide equivalent protection.

6. Inspections

- A. The Contractor shall inspect any Work performed hereunder to ensure that the Work is being and has been performed in accordance with the applicable federal, state and/or local requirements, any applicable construction contract, and this Agreement. The Contractor agrees to require that all Work found by such inspections not to conform to the applicable requirements be corrected, and to withhold payment to the construction contractor or subcontractor until it is so corrected.
- B. The Department reserves the right to inspect any site upon which the Work is being performed; and the Contractor shall cause to be inserted in any subcontract for performance of the Work a provision permitting the Department or its agents the right to inspect the work-site at any reasonable time.

7. Signs

If assistance is provided as a secured development loan, any signs placed on the Property during construction which identify the sponsor of, or lenders to, the development shall include the Department as one of the entities providing financing to the development. During the construction period the Department may place one or more signs on the Property stating that it is providing financing for the development.

EXHIBIT C

8. Reporting Requirements

- A. During the term of this Agreement, and no later than 30 days after the end of each calendar quarter, the Contractor shall submit to the Department a performance report on form provided by the Department.
- B. During the term of this Agreement, and no later than 30 days after June 30th of each year, the Contractor shall submit, upon request of the Department, an annual performance report on form provided by the Department.
- C. During the term of this Agreement, the Department reserves the right to request other forms or reports as may be necessary or required.

9. Audit/Retention and Inspection of Records

- A. The Contractor shall retain all books and records pertaining to performance of this Agreement for a minimum of three years after the expiration of the Agreement and any and all amendments hereto, or for three years after the conclusion or resolution of any and all audits or litigation relevant to this Agreement, whichever is later.
- B. The Contractor shall adequately document each transaction to permit the determination, through an audit if requested by the Department, of the accuracy of the records and the allowability of the expenditures paid in whole or in part, with CalHome funds. If the allowability of an expenditure cannot be determined because records or documentation are inadequate, the questionable expenditure will be disallowed. The Contractor shall reimburse the Department for the amount of any disallowed expenditures of the Contractor or its agents or subcontractors. Determination by the Department of allowability of any expenditure shall be final.
- C. The Department does not require a routine audit of the Contractor's books; provided, however, the Contractor shall comply with any reasonable demand by the Department for an audit of the Contractor's activities related to this Agreement. If the Department provides the auditor, the Department will pay for the cost of the audit; otherwise, the Contractor shall pay the cost of the audit.
- D. Contractor agrees that the Department or its delegatee will have the right to review, obtain, and copy all records pertaining to performance of this Agreement. Contractor agrees to provide the Department or its delegatee with any relevant information requested and shall permit the Department or its delegatee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with Government Code section 8546.7. Contractor further agrees to maintain such records for a period of three (3) years after final payment under the contract.

EXHIBIT C

10. Monitoring Agreement

Upon the Department's approval of Recipient's Loan Servicing Plan and CalHome Reuse Account Plan, the Recipient shall enter into a twenty (20) year CalHome Program Reuse Account Monitoring Agreement (Monitoring Agreement). This Monitoring Agreement allows the Department to: obtain necessary reporting information; review and approve changes to Loan Servicing Procedures or CalHome Reuse Account Plans; and, to perform monitoring of CalHome Program operations and accounts.

11. Compliance with Laws and Regulations

Contractor agrees that at all times its acts with respect to the CalHome Program, CalHome activities, and use of funds committed herein shall be in conformity with all laws applicable to the CalHome Program including those of the State of California, all federal laws, all local rules or ordinances, all requirements of the CalHome Program including the CalHome Statutes and Regulations.

12. Disencumbrance of Funds

Funds authorized by this Agreement may be disencumbered in whole or in part if funds are not expended within the time frames specified in Exhibit A, Section 4.A; Completion Dates.

13. Waiver

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. Any remedy afforded in this Agreement shall be taken and construed as cumulative, and in addition to, any other remedy provided therein or by law. The failure of the Department to enforce at any time the provisions of this Agreement or to require at any time performance by the Contractor of such provisions shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the Department to enforce these provisions.

14. Litigation

- A. If any provision of this Agreement, or underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Contractor shall notify the Department immediately of any claim or action undertaken by or against it which affects or may affect this Agreement or the Department, and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

EXHIBIT C

15. Prevailing Wages

- A. Where funds provided through this Agreement are used for construction work, or in support of construction work, the Contractor shall ensure that the requirements of Chapter 1 (commencing with section 1720) of Part 7 of the Labor Code (pertaining to the payment of prevailing wages and administered by the California Department of Industrial Relations) are met.
- B. For the purposes of this requirement "construction work" includes, but is not limited to rehabilitation, alteration, demolition, installation or repair done under contract and paid for, in whole or in part, through this Agreement. All construction work shall be done through the use of a written contract with a properly licensed building contractor incorporating these requirements (the "construction contract"). Where the construction contract will be between the Contractor and a licensed building contractor, the Contractor shall serve as the "awarding body" as that term is defined in the Labor Code. Where the Contractor will provide funds to a third party that will enter into the construction contract with a licensed building contractor, the third party shall serve as the "awarding body." The construction contract and any amendments thereto shall be subject to the prior written approval of the Department. Prior to any disbursement of funds, including but not limited to release of any final retention payment, the Department may require a certification from the awarding body that prevailing wages have been or will be paid when required by Section 1720 of the Labor Code.
- C. Funds, including but not limited to release of any final retention payment, the Department may require a certification from the awarding body that prevailing wages have been or will be paid when required by Section 1720 of the Labor Code.

EXHIBIT D

**State of California
General Terms and Conditions**

1. Approval

This Agreement is of no force and effect until signed by both parties.

2. Amendment

No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. Assignment

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. Indemnification

Contractor agrees to indemnify, defend and save harmless the Department, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm or corporation furnishing or supplying work services, materials or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this Agreement.

5. Disputes

Contractor shall continue with the responsibilities under this Agreement during any dispute.

6. Termination for Cause

The Department may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided.

7. Independent Contractor

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the Department.

EXHIBIT D

8. Non-Discrimination Clause

- A. During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.
- B. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

9. Timeliness

Time is of the essence in this Agreement.

10. Governing Law

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

11. Child Support Compliance Act

If this Agreement is in excess of \$100,000, by executing this Agreement, Contractor acknowledges and agrees to the following:

- A. Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

EXHIBIT D

12. Severability

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

13. Drug-Free Workplace Requirements

Contractor shall comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and shall provide a drug-free workplace by taking the following actions:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- B. Establish a Drug-Free Awareness Program to inform employees about: (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available counseling, rehabilitation and employee assistance programs; and (4) penalties that may be imposed upon employees for drug abuse violations.
- C. Every employee who works on the proposed contract will: (1) receive a copy of the Contractor's drug-free workplace policy statement; and (2) agree to abide by the terms of the Contractor's statement as a condition of employment under this agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: (1) the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Government Code section 8350 et seq.)

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California:

14. Conflict of Interest

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

- A. Current State Employees (Public Contracts Code section 10410):
 - 1. No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

EXHIBIT D

1. No officer or employee shall contract on his or her own behalf as an independent Contractor with any state agency to provide goods or services.

B. Former State Employees (Public Contracts Code section 10411):

1. For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
2. For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

- C.** If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Public Contracts Code section 10420).

- D.** Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Public Contracts Code section 10430 (e))

15. Labor Code/Workers' Compensation

Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code section 3700)

16. Americans With Disabilities Act

Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

17. Contractor Name Change

An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change, the State will process the amendment.

18. Corporate Qualifications to Do Business in California

- A. If Contractor is a corporation, the State may verify that the Contractor is currently qualified to do business in California in order to ensure that all obligations due to the State are fulfilled.

EXHIBIT D

- B. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the State not be subject to the franchise tax.
- C. Both domestic and foreign corporations (those incorporated outside California) must be in good standing in order to be qualified to do business in California. If Contractor is a corporation, the State will determine whether Contractor is in good standing by contacting the Office of the Secretary of State.

19. Resolution

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

20. Air or Water Pollution Violation

Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of the provisions of federal law relating to air or water pollution.

21. Payee Data Record Form Std. 204

This form must be completed by all contractors that are not another state agency or other government entity.

22. National Labor Relations Board Certification

If Contractor is receiving federal funds under this Agreement, Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Not applicable to public entities.)

**COUNTY OF STANISLAUS
STANDARD AGREEMENT**

BOARD OF SUPERVISORS

2009 DEC 14 P 12: 58

Agreement Number

1. This Agreement is entered into between the Stanislaus County Planning and Community Development / Stanislaus Redevelopment Agency and the following named Contractor: The Housing Authority of the County of Stanislaus

(If other than an individual, state whether a corporation, partnership, etc.): a local public entity

2. The term of this Agreement is: October 1st 2009 to September 9, 2011

3. The maximum amount of payment based on X lump sum, or time \$ (See Exhibit B)

4. The parties agree to comply with the terms and conditions of the following exhibits, which by this reference, are made a part of the Agreement:

- (a) Exhibit A -- Standard Contract Conditions (LF 4.01)
- (b) Exhibit B -- Scope of Work

IN WITNESS WHEREOF, the parties have executed this Agreement on

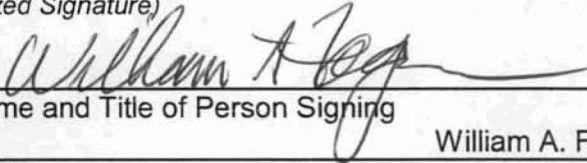
October 1, 2009
(Date)

CONTRACTOR

Contractor's Name

Housing Authority of the **County of Stanislaus**

By (Authorized Signature)



Printed Name and Title of Person Signing

William A. Fagan, Executive Director

Mailing Address

P.O. Box 581918
Modesto, CA 95358-0033

Taxpayer Identification/Social Security No.

94-6003023

COUNTY OF STANISLAUS

Department Name

Stanislaus County Planning and Community Development / Stanislaus Redevelopment Agency

By (Authorized Signature)




Printed Name and Title of Person Signing

Kirk Ford, Executive Director

Mailing Address

1010 10th Street, Suite 3400, Modesto, CA 95354

Approved for Content:


Angela Freitas, Deputy Director

Approved for Form:



Thomas E. Boze, County Counsel

EXHIBIT A
STANDARD CONTRACT CONDITIONS
(Long Form 4/5/01)

1. Description of Work.

1.1 Work To Be Performed. The Contractor shall provide work or services as described in the Scope of Work and, if the Contractor has submitted a work proposal, the Contractor shall provide work or services in accordance with that proposal, which shall be attached to and, by this reference, made a part of the Agreement. In the event that any provision or description of work in the Contractor's proposal conflicts or is inconsistent with any similar provision or description of work described in the Scope of Work, the Scope of Work shall prevail, control or otherwise have precedence.

1.2 Contract Manager. Each party shall designate in writing a contract manager who shall be the day-to-day representative for administration of this agreement, and, except as otherwise specifically provided, shall have full authority to act on behalf of the respective party with respect to this Agreement. The County Department Head, or designee, or the Board of Supervisors, may also perform any and all acts which could be performed by the contract manager under this Agreement.

1.3 Work Schedule. A work schedule for the hours and times for completion of said services and work shall be prepared and implemented by the Contractor; provided, however, that such schedule is subject to review by and concurrence of the County.

1.4 Work Product. All documents, drawings and written work product prepared or produced by the Contractor under this Agreement, including without limitation electronic data files, are the property of the Contractor; provided, however, the County shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Contractor may copyright the same, except that, as to any work which is copyrighted by the Contractor, the County reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so.

1.5 Compliance with Laws. Services and work provided by the Contractor will be performed in a timely manner in compliance with the requirements and standards established by applicable federal, state and County laws, ordinances, regulations and resolutions.

2. Compensation.

2.1 Lump Sum Payment. If the signature page of the Agreement indicates lump sum payment, then the Contractor shall be compensated for work performed or services provided under the Agreement on a lump sum basis for each task as described in the Scope of Work, or in any proposal submitted by the Contractor, that is attached to and made part of the Agreement, by making periodic or progress payments upon completion of each task or item of work. The County shall retain ten (10) percent of all periodic or progress payments made to the Contractor until completion and acceptance of all work tasks and payment of all subcontractors retained, hired or used by the Contractor.

2.2 Time & Materials Payment. If the signature page of the Agreement indicates time and materials payment, then Contractor compensation shall be based on the hours worked by the Contractor and/or the Contractor's employees or subcontractors, multiplied by the applicable rate set forth in the Contractor's current, dated schedule-of rates attached hereto and, by this reference, made a part hereof; provided, however, the Contractor will provide the County 30-days notice before any change in the rate schedule takes effect.

2.3 Expenses. In addition to the aforementioned fees, Contractor will be reimbursed for the following expenses, plus any expenses agreed to in writing by the parties, that are reasonable, necessary and actually incurred by the Contractor in connection with providing or performing the work or services under the Agreement.

- (a) Any filing fees, permit fees, or other fees paid or advanced by the Contractor.

- (b) Expenses, fees or charges for printing, reproduction or binding of documents at actual costs.
- (c) The cost of any subcontractors, consultants, experts or investigators retained by the Contractor, provided the County has agreed in writing to reimburse the Contractor for such costs.
- (d) Travel costs, including transportation, lodging and meals, provided the County has agreed in writing to reimburse the Contractor for such costs. Any reimbursement for travel costs shall be subject to and not exceed those amounts paid to the County's employees under the current Stanislaus County Travel Policy.

2.4 Invoices. The Contractor shall provide the County with a monthly or a quarterly statement, as services warrant, of fees earned and costs incurred for services provided during the billing period, which the County shall pay in full within 30 days of the date each invoice is approved by the County. The statement will generally describe the services performed, the applicable rate or rates, the basis for the calculation of fees, and a reasonable itemization of costs. All invoices for services provided shall be forwarded in the same manner and to the same person and address that is provided for service of notices herein.

2.5 Maximum Amount of Contract. The parties hereto acknowledge the maximum amount to be paid by the County for services provided and expenses shall not exceed the amount set forth in Paragraph 3 of the signature page of the Agreement, including, without limitation, the cost of any subcontractors, consultants, experts or investigators retained by the Contractor in the performance of work or services under the Agreement.

2.6 Other Compensation. Contractor shall not be entitled to nor receive compensation in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays or other paid leaves of absence of any type or kind whatsoever.

2.7 Taxes. County will not withhold any Federal or State income taxes or Social Security tax from any payments to Contractor. The Contractor, not the County, has the sole responsibility to promptly pay all taxes and other assessments levied on any payments made to the Contractor.

2.8 Payment to Subcontractors and Suppliers. Pursuant to Penal Code section 484b and to Business and Professions Code section 7108.5, the Contractor must apply all funds and progress payments received by the Contractor from the County for payment of services, labor, materials or equipment to pay for such services, labor, materials or equipment. Pursuant to Civil Code section 1479, the Contractor shall direct or otherwise manifest the Contractor's intention and desire that payments made by the Contractor to subcontractors, suppliers and materialmen shall be applied to retire and extinguish the debts or obligations resulting from the performance of this Agreement.

3. Termination. Either party may terminate this agreement upon 30 days prior written notice to the other party. Termination shall not affect the County's obligation to pay for all fees earned and reasonable costs necessarily incurred by the Contractor, subject to any applicable setoffs. This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale of Contractor's business, (c) cancellation of insurance required under the terms of this Agreement, and (d) if, for any reason, Contractor ceases to be licensed or otherwise authorized to do business in the State of California, and the Contractor fails to remedy such defect or defects within thirty (30) days of receipt of notice of such defect or defects.

4. Licenses, Certificates and Permits. Any licenses, certificates or permits required by the federal, state, county or municipal governments for Contractor to provide the services and work under the Agreement must be procured and maintained in full force and effect during the term of the Agreement at the Contractor's sole cost and expense.

5. Office Space, Supplies, Equipment, Etc. Unless otherwise provided in another exhibit to the Agreement, the Contractor shall provide at its sole cost and expense, all office space, supplies, equipment, vehicles, reference

and other written materials, and telephone service as is necessary for Contractor to provide the services under the Agreement.

6. Insurance.

6.1 Required Insurance. Contractor shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

(a) General Liability. Comprehensive general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by Contractor under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

(b) Automobile Liability Insurance. If the Contractor or the Contractor's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury, property damage and transportation related pollution liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.

(c) Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, the Contractor certifies under section 1861 of the Labor Code that the Contractor is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the Contractor will comply with such provisions before commencing the performance of the work of this Agreement.

(d) Professional Liability Insurance. If professional services are provided under this Agreement, then Contractor shall also maintain professional errors and omissions (malpractice) liability insurance with limits of no less than One Million Dollars (\$1,000,000) aggregate. Such professional liability insurance shall be continued for a period of no less than one year following completion of the Consultant's work under this Agreement.

6.2 Deductibles. Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Contractor shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Contractor agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Contractor's defense and indemnification obligations as set forth in this Agreement.

6.3 Additional Insured. The Contractor shall provide a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, if any, naming the County and its officers, officials and employees as additional insureds regarding: (a) liability arising from or in connection with the performance or omission to perform any term or condition of this Agreement by or on behalf of the Contractor, including the insured's general supervision of the Contractor; (b) services, products and completed operations of the Contractor; (c) premises owned, occupied or used by the Contractor; and (d) automobiles owned, leased, hired or borrowed by the Contractor. The Workers' Compensation insurance carrier shall agree to waive all rights of subrogation against the County and its officers, officials and employees for losses arising from the performance of or the omission to perform any term or condition of this Agreement by the Contractor.

6.4 Primary & Separate Coverage. The Contractor's insurance shall apply separately to each insured

against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The Contractor's insurance coverage shall be primary insurance regarding the County and County's officers, officials and employees. Any insurance or self-insurance maintained by the County or County's officers, officials and employees shall be excess of the Contractor's insurance and shall not contribute with Contractor's insurance.

6.5 Reporting. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials, employees or volunteers.

6.6 Notice of Cancellation. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days' prior written notice has been given to County. The Contractor shall promptly notify, or cause the insurance carrier to promptly notify, the County of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.

6.7 Rating. Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide acceptable to the County; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance. A Best's rating of at least A-VII shall be acceptable to the County; lesser ratings must be approved in writing by the County.

6.8 Subcontractors. Contractor shall require all its subcontractors to comply with the insurance and indemnity requirements stated herein, or shall include subcontractors as additional insureds under its insurance policies.

6.9 Proof of Insurance. At least ten (10) days prior to the date the Contractor begins performance of its obligations under this Agreement, Contractor shall furnish County with certificates of insurance and with original endorsements establishing coverage required by this Agreement, including, without limitation, those effecting coverage for subcontractors of the Contractor. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies of all required insurance policies and endorsements, at any time.

6.10 Insurance Limits. The limits of insurance described herein shall not limit the liability of the Contractor and Contractor's officers, employees, agents, representatives or subcontractors. Contractor's obligation to defend, indemnify and hold the County and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.

7. Defense and Indemnification. To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by the Contractor or Contractor's officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. The Contractor's obligation to indemnify the County for any judgment, decree or arbitration award shall extend only to the percentage of negligence or responsibility of the Contractor in contributing to such damage or loss.

8. Status of Contractor. All acts of Contractor and its officers, employees, agents, representatives, subcontractors relating to the performance of the Agreement, shall be performed as independent contractors and not as agents, officers or employees of County. Except as otherwise expressly provided in the Agreement, Contractor has no authority to bind or incur any obligation on behalf of County or to exercise any rights or power vested in the County. No agent, officer or employee of the County is to be considered an employee of Contractor. It is understood by both Contractor and County that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9. Records and Audit. Contractor shall maintain and keep all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of four (4) years after the termination or completion of this Agreement. Any authorized representative of County shall have access to any such records writings as defined above for the purposes of making audit, evaluation, examination, excerpts and transcripts during the period such records are to be maintained by Contractor.
10. Nondiscrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental handicap, medical condition (including genetic characteristics), marital status, age, political affiliation or sex. Contractor and its subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's nondiscrimination policy; the Fair Employment and Housing Act (Government Code, § 12900 et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations.
11. Assignment. County has relied upon the skills, knowledge, experience and training of Contractor and the Contractor's firm, associates and employees as an inducement to enter into this Agreement. Contractor shall not assign or subcontract this Agreement without the express written consent of County. Further, Contractor shall not assign any monies due or to become due under this Agreement without the prior written consent of County.
12. Amendment and Modification. The Agreement may be amended by the mutual written consent of the parties; provided, however, the County may, at anytime, without notice to any sureties, by written order designated or indicated to be a "contract modification," make any change in the work to be performed under this Agreement so long as the modified work is within the general scope of work called for by this Agreement, including but not limited to changes in the specifications or in the method, manner or time of performance of work. If the Contractor intends to dispute the change, the Contractor must, within ten (10) days after receipt of a written "contract modification," submit to the County a written statement setting forth the disagreement with the change.
13. Disputes. Any dispute arising under or relating to the terms of the Agreement, or related to performance under the Agreement, shall be decided in writing by the County contract manager. The Contractor shall be furnished a copy of the written decision and the decision shall be final and conclusive unless, within fifteen (15) calendar days from the date of receipt of such copy, the Contractor mails or delivers a written appeal to the Director of the County Department. The decision of the Director, or designee, shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary or so grossly erroneous as necessarily to imply bad faith, or not supported by any substantial evidence. Pending final decision on any dispute, the Contractor shall proceed diligently with the performance of work as directed by the contract manager unless the Contractor has received a notice of termination.
14. Waiver of Default. Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.
15. Notice. Any notice or communication regarding Agreement that a party is required or may desire to make shall be in writing and may be personally served or sent by prepaid first class mail to the respective parties at the address set forth on the signature page of this Agreement. Notice is deemed received upon deposit in the mail.
16. Conflicts. Contractor agrees that it has no interest and shall not acquire any interest direct or indirect which would conflict in any manner or degree with the performance of the work and services under this Agreement.
17. Entire Agreement. The Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties and contains all the agreements between the parties with respect to the subject matter

of the Agreement. No other agreement, statement or promise not contained in this Agreement shall be valid or binding.

18. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

19. Construction. Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

20. Governing Law and Venue. This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

END OF STANDARD CONDITIONS (LONG FORM)

regulations including, but not limited to the Consolidated Plan, the annual performance report and any quarterly reports required by the County. The Contractor agrees to defend, indemnify and hold harmless The County and its officers, employees, and agents from any and all acts, claims, omissions, liabilities and losses by whomever asserted arising out of acts or omissions of Contractor in the performance of the Scope of Work except those arising by reason of the sole negligence of the County, its officers, employees or agents.

- l. Loan repayments, interest or other return on County's investment of HOME funds disbursed through this contract shall be collected by the Contractor and transferred to the County within 30 days of receipt. The County will hold any such funds for additional HOME-eligible activities in the County.
- m. The Contractor shall comply with all applicable laws, ordinances and codes of Federal, State and local governments, in the performance of this Agreement.
- n. The Contractor agrees to comply will all requirements which are now or which may hereafter be imposed by HUD for the HOME program, as well as such requirements as may be imposed by the City of Turlock/Stanislaus County HOME Consortium.
- o. The Contractor shall be responsible for conducting the environmental review of any projects assisted through this contract in compliance with the National Environmental Protection Act and 24 CFR 58. A copy of any such review shall be sent to the County for County's review, approval and formal acceptance.
- p. The Contractor agrees that it will comply with the Americans with Disabilities Act and Title VII or the Civil Rights Acts of 1964, and that no person in the United States shall, on the grounds of race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era veteran's status, political affiliation or any other non-merit factors be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded in whole or in part with funds made available to the Contractor by the County pursuant to this contract.

For the purpose of these Acts no person shall:

- i. Deny any services or other benefit provided under the program or activity.
- ii. Provide any service or other benefit which is different or is provided in a different form from that provided to others under the program or activity;
- iii. Subject to segregated or separate treatment in any facility in or in any manner or process related to receipt of any service or benefit under the program or activity;
- iv. Restrict in any way the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit under the program or activity;
- v. Treat an individual differently from others in determining whether that individual satisfies and admission enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or other benefit provided under the program or activity; or
- vi. Deny an opportunity to participate in a program or activity as an employee;

- q. To comply with the HOME regulation that funds be spent within 15 days of disbursement The Contractor shall request reimbursements of incidental expenditures. In the case of a known large expense, the Contractor may request, in writing, from the County and advance of the necessary amount of the funds, which will be expended within the time, allowed. The amount of each request shall be limited to the amount needed.

4.0 LOAN CRITERIA:

- 4.1** Loans will be available to qualified owner occupants. It is possible to combine loans for a total of \$60,000.00 in assistance, if all criteria are met.
- 4.2** Debt-to-Income Ratio: Home related expenses (mortgage, insurance, utilities). No more than 35% of Gross Income. (35% to 40%, Review on a case-by-case basis with the Loan Committee) (Debt to Income Ratio may not apply to deferred loans, have Loan Committee review.)
- 4.3** Maximum Loan-to-Value: Will be considered by the Loan Committee on all loans.
- 4.4** If located in a Flood Plain: Flood insurance required for projects over \$5,000.00 (1st year loan premiums may be paid by Major Home Repair Program if approved by Loan Committee).
- 4.5** At or below 50% Area Median Income (AMI): Maximum loan, \$15,000.00. A 0% deferred loan for the initial 5 years, then forgiven as a grant.
- 4.6** Above 50% to, at or below 80% AMI: Maximum loan, \$45,000.00. A 55 year, deferred loan. Loans will accrue interest for the first 10 years of the loan at 3% interest.
- 4.7** Above 80% to 120% AMI: Maximum loan, \$60,000.00. A 15 year loan at 3% interest loan, with monthly payments. (The estimated Major Home Repair Program monthly payment amount should be included in the Debt to income Ratio).
- 4.8** Landlords: If the landlord does not have the available income to make the necessary repairs, the Loan Committee will review on a case-by case basis.
- 4.9** Credit Checks: Required on all loans over \$5,000.00.
- 4.10** Restrictive Covenants: Loans will contain the following restrictive covenants for the entire term of the loan.
- a. Owner shall not sell, transfer, convey, assign, rent, lease, encumber, mortgage or hypothecate the property.
 - b. Owner shall continuously occupy the property as his or her residence.
 - c. Owner shall maintain the property in post-rehabilitation condition.
 - d. Owner shall comply with all laws affecting the property and its use.
- 4.11** The owner's failure to comply with any or all of the above restrictions shall make the principal and all accrued interest immediately due and payable.

5.0 COMPENSATION

5.1 The Contractor shall be compensated for the services provided under this agreement as follows:

- a. Construction and fees.
- b. The Contractor shall be compensated one-hundred dollars (\$100.00) per application resulting in a rehabilitation contract and fifty dollars (\$50.00) each for all other completed applications, for the duties as outlined.
- c. The Contractor shall be compensated at a rate of fifteen percent (15%) of the total construction cost for each project funded.
- d. The Contractor shall be compensated at the rate of ten-dollars (\$10.00) for each monthly loan payment processed. (This fee may be subject to an increase of 3% each year for inflation).
- e. The Contractor shall submit a written invoice identifying the name of the individual performing services, the date the services were performed, a description of the services, and the total cost of the services. Any requests for payment of reimbursable expenses shall be itemized on the invoice. The County shall pay the Contractor within thirty (30) days of the receipt of the invoice.

6.0 DISPUTE RESOLUTION:

- 6.1** The Contractor and the County will attempt to settle any claim or controversy arising out of or relating to this Agreement through consultation and negotiation in good faith and a spirit of mutual cooperation. However, at any time before or during such negotiations, or following any unsuccessful negotiations, either party may by written notice to the other demand that the dispute be submitted to mediation. When such a demand is made, the parties shall within ten (10) days jointly make arrangements for the mediation of the dispute through the auspices, and pursuant to the then current mediation rules and procedures, of the Judicial Arbitration and Mediation Services ("JAMS"), except to the extent such rules and procedures are modified by agreement of the parties.
- 6.2** If the dispute has not been resolved within sixty (60) days of any written demand for mediation, or within a longer time period to which the parties may agree, the dispute shall be submitted to binding arbitration in accordance with the commercial arbitration rules of J.A.M.S./Endispute. In all cases submitted to JAMS for arbitration, the arbitration proceedings shall be conducted at a location mutually agreed upon by the parties and, if they cannot agree, then in Sacramento, California. The parties shall agree to a single arbitrator, advance their respective administrative fees, and advance in equal shares the arbitrator's fee.
- 6.3** Notwithstanding any rules or procedures of JAMS to the contrary, the arbitrator shall be bound to render a decision in accordance with applicable state and federal laws and shall issue written findings of fact and conclusions of law (the "written opinion").
- 6.4** In any petition to confirm, correct or vacate the arbitration award, the arbitrator's written opinion shall be subject to judicial review for the purpose of insuring that it conforms to applicable state and federal laws. Except for this limited right of judicial review and other statutory grounds for correcting or vacating the

arbitrator's award, the parties agree that the decision of the arbitrator shall be final and binding upon them.

- 6.5 Any arbitration award shall include the cost of arbitration and reasonable attorney's fees to the prevailing party, if the arbitrator determines that there is a prevailing party in any such dispute. Judgment may be entered on the award in the Stanislaus County Superior Court.
- 6.6 Any negotiation or mediation which takes place pursuant to this Agreement shall be confidential and shall be treated as a compromise and settlement negotiation for purposes of the Federal Rules of Evidence and State rules of evidence.

7.0 MISCELLANEOUS:

- 7.1 Should any litigation be commenced between the Contractor and the County concerning any provisions of this Agreement, or the rights and duties of any person in relation thereto, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for his attorney fees in such litigation, which shall be determined by the court in such litigation, or in a separate action brought for that purpose.
- 7.2 In the event of any conflict between the provisions of this Exhibit "B" and the provisions of Exhibit "A" (Standard Contract Conditions); specifically including but not limited to provisions in Exhibit "A" relating to compensation, invoicing, and dispute resolution; the provisions of this Exhibit "B" shall be controlling.