

**AGREEMENT BETWEEN
COUNTY OF SAN MATEO
AND
MILLENNIUM HOUSING**

**TO ASSIST IN THE UPGRADING OF COMMON AREAS AT
PILLAR RIDGE (EL GRANADA) MOBILE HOME PARK**

For the period of

11/2/2004 to 11/1/2039

Contact Person: Marina Yu
Telephone number: (650)802-5139

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND
MILLENNIUM HOUSING TO ASSIST IN THE UPGRADING OF COMMON AREAS AT
PILLAR RIDGE (EL GRANADA) MOBILE HOME PARK**

THIS AGREEMENT, entered into this _____ day of _____, 20____, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and Millennium Housing a non-profit 501 (c) 3 corporation, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, Pillar Ridge Mobile Home Park (also known as El Granada Mobile Home Park) was successfully acquired by Contractor with tax exempt bond financing in Spring 2004; and

WHEREAS, Pillar Ridge Mobile Home Park has 227 mobile homes, and under its tax exempt financing, at least 75%, or 171 units, must remain affordable to low and very low income occupants; and

WHEREAS, Contractor applied for funding through the Office of Housing Notice of Funding Availability (NOFA) and was approved for Community Development Block Grant (CDBG) funding to upgrade the common areas of Pillar Ridge on May 4, 2004 by the Board of Supervisors for inclusion in the Action Plan for Fiscal Year 2004-05; and

WHEREAS, both parties now wish to enter into an Agreement, to provide for the upgrading of common areas at Pillar Ridge (El Granada) Mobile Home Park for the period of 11/2/2004 to 11/1/2039, for a total obligation of \$350,000.00.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

<u>CONTRACT AMOUNT</u>	\$350,000.00	<u>CONTRACT TERM</u>			
		Start Date :		11/2/2004	
		End Date :		11/1/2039	
<u>COUNTY REPRESENTATIVE</u>			<u>CONTRACTOR REPRESENTATIVE</u>		
Steve Cervantes, Director, Office of Housing			George Turk, President		
262 Harbor Blvd., Bldg A			660 Newport Center Drive, Suite 1020		
Belmont, CA 94002			Newport Beach, CA 92660		
(650)802-5050	Fax:	(650)802-5049	(949)515-5100	Fax:	(949)515-5101

1. Exhibits

The following Exhibits and Attachments are attached hereto and incorporated by reference herein:

- Exhibit A: Program/Project Description
- Exhibit B: Method and Rate of Payment
- Exhibit C: Equal Benefits Compliance Declaration Form
- Exhibit D: Monitoring
- Exhibit E: Additional Program Requirements

Exhibit F: Property Description
Exhibit G: Fingerprinting Certification Form
Attachment I: §504 Compliance

2. Services to be performed by Contractor

In consideration of the payments set forth herein and in Exhibit "B," Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit "A."

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed three hundred and fifty thousand dollars, [\$350,000.00].

4. Term and Termination

Subject to compliance with all terms and conditions, the term of this Agreement shall be from 10/26/2004, through 10/25/2034.

This Agreement may be terminated by Contractor, the Human Services Director, or his/her designee at any time without a requirement of good cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

5. Availability of Funds

The County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of Federal, State, or County funds, by providing written notice to Contractor as soon as is reasonably possible after the county learns of said unavailability of outside funding.

6. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent Contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers, or advantages of County employees.

7. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, (C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion thereof to a third party or subcontract with a third party to provide services required by contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without the County's prior written consent shall give County the right to automatically and immediately terminate this Agreement.

9. Insurance

The Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this paragraph has been obtained and such insurance has been approved by Risk Management, and Contractor shall use diligence to obtain such issuance and to obtain such approval. The Contractor shall furnish the Department/Division with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the Department/Division of any pending change in the limits of liability or of any cancellation or modification of the policy.

- (1) **Worker's Compensation and Employer's Liability Insurance** The Contractor shall have in effect during the entire life of this Agreement Workers' Compensation and Employer's Liability Insurance providing full statutory coverage. In signing this Agreement, the Contractor certifies, as required by Section 1861 of the California Labor Code, that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.
- (2) **Liability Insurance** The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any

and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from contractors operations under this Agreement, whether such operations be by himself/herself or by any sub-contractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than the amount specified below.

Such insurance shall include:

- (a) Comprehensive General Liability \$1,000,000

County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to the County, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if the County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, the County of San Mateo at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

10. Compliance with laws; payment of Permits/Licenses

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, including, but not limited to, Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment "I," which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations.

In the event of a conflict between the terms of this agreement and State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

11. Non-Discrimination

- A. *Section 504 applies only to Contractors who are providing services to members of the public.* Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.

- B. *General non-discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- C. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County of San Mateo upon request.
- D. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to
 - i) termination of this Agreement;
 - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
 - iii) liquidated damages of \$2,500 per violation;
 - iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this section, the County Manager shall have the authority to examine Contractor's employment records with respect to compliance with this paragraph and/or to set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

- E. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.
- F. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

12. Retention of Records, Right to Monitor and Audit

(a) CONTRACTOR shall maintain all required records for three (3) years after the COUNTY makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the County, a Federal grantor agency, and the State of California.

(b) Reporting and Record Keeping: CONTRACTOR shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State and local agencies, and as required by the COUNTY.

(c) CONTRACTOR agrees to provide to COUNTY, to any Federal or State department having monitoring or review authority, to COUNTY's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

13. Merger Clause

This Agreement, including the Exhibits attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

14. Controlling Law

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California.

15. Notices

Any notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United State mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed to:

In the case of County, to: Steve Cervantes, Director, Office of Housing County of San Mateo 262 Harbor Blvd. Bldg. A Belmont, CA 94002	In the case of Contractor, to: George Turk, President Millennium Housing 660 Newport Center Drive, Suite 1020 Newport Beach, CA 92660
With Copy to: Lisa Ketcham, Secretary Pillar Ridge Homeowners' Association 164 Culebra Lane Moss Beach, CA 94038 Phone: (650) 728-3389	

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands to this Agreement regarding the upgrading of Common Areas at Pillar Ridge (El Granada) Mobile Home Park.

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors

Date: _____

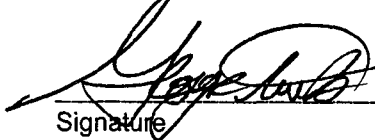
Attest:

Clerk of Said Board

Date: _____

MILLENNIUM HOUSING

By: George Turk, President
Print Name & Title



Signature

Date: OCT 8, 2004

Exhibit A
Program/Project Description

In consideration of the payments set forth in Exhibit "B", Contractor shall provide the following services:

A. Activities

1. Funding provided under this Agreement shall be used by Contractor to assist in physical upgrades to the common areas of Pillar Ridge Mobile Home Park, also known as the El Granada Mobile home Park, located at 164 Culebra Street, Moss Beach, California. Work associated in making these physical improvements shall be known as the "Project."
2. Project activities may include eligible predevelopment work, as architectural and engineering, as well as costs directly associated with construction. Prior to starting construction, Contractor shall provide the County Office of Housing for approval with a detailed schedule of sources and uses of funds to undertake the Project.
3. Construction work shall be subject to federal prevailing wage requirements under the Davis-Bacon Act.

B. Performance and Compliance Periods

1. Performance Period - All parties acknowledge that the Project may be undertaken in phases due to the possibility of costs exceeding funds available, including resources secured by Contractor from other sources. The associated activities for the Project phase to be paid by funding under this Agreement shall be approved by the County prior to start of the Project. Work identified for this phase shall be completed by June 30, 2007, or Contractor may be in default of this Agreement. Should Contractor require additional time to meet this performance date, Contractor shall direct a written request to the Director of the Office of Housing. Approvals to any requests for extensions shall be in writing.

Contractor may not start work or perform services or activities under this Agreement until County completion of the environmental review under the National Environmental Protection Act (NEPA). Contractor acknowledges that the environmental review may require additional work to be done in compliance with NEPA standards and this work may increase the overall costs to complete the Project.

On a quarterly basis until Project completion, Contractor shall provide the County with a performance report describing status of the Project, whether in predevelopment or construction, as noted in Exhibit E.

2. Compliance Period - After completion of work under this Project phase, evidenced by the recording of Certificate of Completion in the County Recorder's Office, or some other document acceptable to the Office of Housing, Contractor shall provide the County Office of Housing with a completion report on forms provided by the County. Thereafter on an annual basis, or more often if required by the County, Contractor shall provide the County with information necessary to monitor the Project relating to program compliance matters. Annual information required shall include: evidence of continuing fire and liability

insurance; annual certified financial audit; tenant incomes and rents; certificate of continuing use, and any other compliance information as may be required by the County. The compliance period shall be coterminous with the term of the Promissory Note described later below.

C. Use

Funding under this Agreement is justified on the basis on low income beneficiaries. At least 50% of the units, or 114 units, shall be occupied by low and very low income residents. Contractor shall certify to the County on an annual basis the percentage occupancy of lower income beneficiaries.

D. Security

Prior to any disbursement of funds, Contractor shall execute and deliver a Promissory Note ("Note") and Deed of Trust in favor of the County in an amount equal to Three Hundred Fifty Thousand Dollars (\$350,000) to secure the performance of all terms and conditions of this Agreement. The Deed of Trust shall be secured by subject property described in Exhibit F, Property Description, and be recorded in the Office of the Recorder of the County of San Mateo. The principal amount under the Note shall bear a simple interest rate of three percent (3%) per annum.

The term of the Note and Deed of Trust shall begin from the date of execution and mature thirty-five years thereafter. Should the language of the Note conflict with the language of this Agreement, the Note shall prevail.

E. Repayment

Unless otherwise agreed to in writing between the Contractor and the Director of Housing, repayment shall be made according to the following terms: Contractor shall make payments out of surplus cash as defined below. Payments shall be applied first to interest before making any principal reductions.

Surplus cash shall be defined as follows:

All rental and incidental income from operations of Pillar Ridge, but excluding tenant security deposits (and any interest earned on said deposits) and capital contributions by Contractor, Project Owners or its partners, less the following to the extent consistent with an annual independent financial audit to be provided by Contractor or Project Owners: all actual Project operating expenses, utilities, maintenance expenses, real estate taxes, operating reserves not to exceed 3% of operating expenses, replacement reserves to be approved by the County, property management fee not to exceed 6% of gross effective income, principal and interest paid on loans in superior position to the County loan.

The annual audit must indicate that the operating and replacement reserves were actually funded before Project can include these amounts in the calculation to determine Surplus Cash. If the reserve amounts actually taken exceed the above allowances, Contractor or Project Owners shall obtain approval from County in writing to allow Project to include the higher reserve amounts in the calculation for Surplus Cash. Depreciation will not be allowed as an operating expense for purposes of calculating Surplus Cash.

A copy of the annual independent financial audit shall be delivered to the County not later than 120 days after the end of Project's fiscal year. Payment to the County out of Surplus Cash flow shall be delivered to the County not later than 120 days after the end of each fiscal year beginning in the fifth year of Project operations described earlier.

F. Prepayment

Prepayments may be made at any time without penalty.

G. Due on Sale, Refinance or Transfer of Title

Contractor shall not sell or refinance the property or assign its rights under this Agreement without obtaining the prior written consent of the County. In the event of a sale or transfer of the subject property or any interest therein by Contractor, the entire principal balance of the Note, including any accumulated interest, shall be immediately due and payable. With the prior written consent of the County, the County Note may be assumed or transferred if the property that is the subject of this Agreement is transferred to an owner who continues an eligible CDBG use and the new owner agrees in writing to the terms and conditions of this Agreement and the Note and Deed of Trust.

H. Acceleration of Note

In the event Contractor breaches any of the terms and conditions of this Agreement after notice and an opportunity to cure as provided in Exhibit E herein, the Contractor will be in default of the terms and conditions of this Agreement as well as the Note, and the County may demand immediate and full payment of the principal amount of the Note, and/or may initiate foreclosure proceedings under the Deed of Trust.

I. Title Policy

Contractor shall secure at the close of escrow the issuance of a CLTA policy of title insurance in the amount not less than the face value of the Note, clear of any title defects which would prevent the operation of the proposed project. Contractor shall pay all recording fees, escrow fees, the premium for the title insurance policy, all fees and cost for any new financing, and shall pay any applicable transfer taxes.

J. Fire and Extended Coverage

Contractor at its costs shall maintain on the improvements associated with the Project a policy of standard fire and extended coverage during the life of the Note and Deed of Trust securing this Agreement, or any subsequently executed document which replaces the Note and Deed of Trust, with vandalism and malicious mischief endorsements, to the extent of at least the full replacement value of the improvements which are part of the premises. The insurance policy shall be issued in the names of Contractor and the County as their interests appear. The insurance policy shall contain a lender's loss payable endorsement, providing that any proceeds shall be payable to the County as its interests appear.

In the event that Contractor shall undertake to restore the damaged improvements or to reconstruct the destroyed improvements within a period of sixty (60) days, such insurance proceeds received by the County shall be released to Contractor as payments are required

for said purposes, and upon completion of such restoration or reconstruction, any balance thereof remaining shall be paid to Contractor forthwith.

In the event that Contractor shall fail to undertake the restoration or reconstruction of such improvements within sixty (60) days following any such damage or destruction, there shall be paid and released to the County from such insurance proceeds a sum equal to the cost of clearing the premises in the event Contractor does not at its own expense clear the premises within said period. The balance shall be held to compensate the parties to this Agreement as if the premises were sold. Contractor shall also sell the vacant land on the open market and the proceeds of said land sale shall be distributed among the parties to this Agreement.

K. County Notification of Marketing

The Director of the County Office of Housing shall be notified of all marketing efforts to seek new occupants for Pillar Ridge. Contractor shall provide the County with all copies of notices advertising availability of mobile home spaces.

L. Acknowledgment of County as Funder

The County of San Mateo shall be acknowledged by Contractor as a funder of the Project in applicable publicity materials. These materials may include, but are not limited to project signage and press releases.

Exhibit B Method and Rate of Payment

In consideration of the services provided by Contractor in Exhibit "A", County shall pay Contractor based on the following fee schedule:

Payment by County shall be made on a reimbursement basis upon claims for reimbursement being submitted by Contractor to County. Requests for reimbursement shall include copies of invoices paid together with warrants, canceled checks, or other proof that the invoices have been paid. The request must include a brief narrative description of the progress of the project and the items being reimbursed.

Upon written request to the Director of Housing, payments may be made directly to authorized third parties; Contractor must submit original invoices with the request. The County cannot guarantee the timeliness of such third party vendors and will not be responsible for any chargers levied by such third party due to failure to meet timeliness requirements of their agreement with Contractor.

Contractor shall certify in writing that the specific services for which reimbursement or payment is being requested have been satisfactorily completed, that the payments are proper and that all funds to be expended are on behalf of and exclusively for the project. The County reserves the right to verify such completion prior to payment to Contractor.

The County will not be obligated to make a payment of any billing until any and all objections to the adequacy of the services rendered or the amount of the billing have been resolved. In the event of a questionable payment request, the County shall state in writing the specific nature of its objections to Contractor's work. The County shall also specify what actions or changes are necessary to make the work acceptable. Contractor shall respond to County within 15 days of receipt of such objections. The parties to this Agreement shall meet to discuss such objections at the request of either party.

None of the funds shall be used for salary, fringe benefits or other compensation of employees of Contractor or its affiliates.

No requests for reimbursement or third party payment will be processed until all reports required under Exhibit D have been received in the Office of Housing.

Exhibit C
COUNTY OF SAN MATEO
Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor Millennium Housing
Contact Person George Turk, President
Address: 660 Newport Center Drive, Suite 1020
Newport Beach, CA 92660
Phone Number (949)515-5100
Fax Number (949)515-5101

II Employees

Does the Contractor have any employees? Yes No

Does the Contractor provide benefits to spouses of employees? Yes No

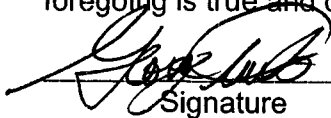
If the answer to one or both of the above is no, please skip to Section IV.

III Equal Benefits Compliance (Check one)

- Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
- Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- No, the Contractor does not comply.
- The Contractor is under a collective bargaining agreement which began on _____ (date), and expires on _____ (date).
-

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.


Signature

George Turk
Name (Please Print)

PRESIDENT
Title

OCT 8, 2004
Date

Exhibit D Monitoring

Contractor shall submit a **Quarterly Report** within 30 days of the end of each quarter which shall detail the status of the project. The report should be in the form of a narrative description of all activities performed in relation to the project including all pre-development activities. The report should include a project time-line and indicate the status of the project in relationship to this time-line. Contractor must document any changes from the time-line submitted with the original application. This report requirement is in addition to any information submitted with requests for reimbursement; this requirement shall extend until completion of the project even if all of the funds provided under this Agreement have been expended.

Exhibit D
QUARTERLY NARRATIVE REPORT

Organization:
Project:
Period Covered: <input type="checkbox"/> 7/1/04 - 9/30/04 <input type="checkbox"/> 10/1/04 - 12/31/04 <input type="checkbox"/> 1/1/05 - 3/31/05 <input type="checkbox"/> 4/1/05 - 6/30/05

Summary/Highlights This Quarter of your Funded Project

Organization Highlights This Quarter

Exhibit E
Additional Program Requirements

1. BREACH OF AGREEMENT

This Agreement is governed by applicable federal statutes and regulations, as referred to elsewhere herein. Any material deviation by Contractor for any reason from the requirements thereof, or from any other provision of this Agreement, shall constitute a breach of this Agreement and may be cause for termination at the election of County or upon the direction of HUD. County may terminate this Agreement for cause after giving Contractor notice of any breach or default and 30 days to cure said breach or default. In the event of termination by whatever means, all finished and unfinished work shall become the property of County, and the County shall have the right to direct Contractor's actions with respect to access to materials.

County reserves the right to waive any and all breaches of this Agreement, and any such waiver shall not be deemed a waiver of all previous or subsequent breaches. In the event County chooses to waive a particular breach of this Agreement, it may condition same on payment by Contractor of actual damages occasioned by such breach of Agreement and shall make every effort to resolve the same quickly and amicably.

2. AGREEMENT TERMINATION

In the event Contractor is unable to fulfill its responsibilities under this Agreement for any reason whatsoever, including circumstances beyond its control, County may terminate this Agreement in whole or in part in the same manner as for breach hereof.

3. CONFLICT OF INTEREST

No members, officers, or employees or agents of County, no member of the County's Board of Supervisors, and no other public official who exercises any function or responsibility with respect to this program during his/her tenure, or for one year thereafter, shall have any interest, direct or indirect, in this Agreement or a related subcontract, or the proceeds thereof.

No members, officers, or employees or agents of Contractor, no member of the Board of Directors of Contractor, and no other official who exercises any function or responsibility with respect to this program during his/her tenure, or for one year thereafter, shall have any interest, direct or indirect, in the Agreement or a related contract, or the proceeds thereof.

Contractor shall incorporate the above provisions into all contracts awarded in connection with this Agreement.

4. LOBBYING PROHIBITED

Federal funds shall not be used by Contractor for publicity or propaganda purposes designed to support or defeat legislation pending before federal, state or local government. Federal funds shall not be used by Contractor to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the award of any Federal contract.

5. INFLUENCING PROHIBITED

A. No Federal appropriated funds have been paid or will be paid, by or on behalf of Contractor to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, Contractor will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions; and

C. The language of paragraphs 5A and 5B shall be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

6. COMPLIANCE WITH FEDERAL LAWS AND REGULATIONS

Contractor, to the extent applicable to this Agreement, shall comply with the following Federal laws and regulations as set forth in 24 CFR §§570.600-612:

A. Public Law 88-352, Title VI of the Civil Rights Act of 1964, which provides that no person in the United States shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance, including community development funds, on the grounds of race, color, or national origin.

B. Public Law 90-284, Fair Housing Act (42 U.S.C. §§3601- 20), which provides that it is the policy of the United States to provide, within constitutional limitations, fair housing throughout the United States and prohibits any person from discriminating in the sale, rental, or financing of housing on the basis of race, color, religion, sex, national origin handicap or familial status. The Fair Housing Act, as amended in 1988, also establishes requirements for the design and construction of new rental or for sale multifamily housing to ensure a minimum level of accessibility for persons with disabilities. Multifamily dwelling units in buildings containing 4 or more units served by one or more elevators, or ground floor dwellings units with 4 or more units, constructed for first occupancy after March 13, 1991, must be designed and constructed in a manner that the public and common use portions of such dwellings are readily accessible to and usable by disabled persons. All premises within such dwellings must incorporate features of adaptive design regarding accessibility routes into and through the dwelling and design features within the units. (Regarding accessibility design issues, State accessibility requirements will prevail if they are stricter than federal requirements.)

C. Age Discrimination Act of 1975, which prohibits discrimination on the basis of age in the delivery of services, programs or benefits supported by Federal funds.

D. Rehabilitation Act of 1973, Section 504, which prohibits discrimination against otherwise qualified handicapped persons in the provision of programs, facilities and employment supported by Federal funds.

In the case of multifamily rental housing, projects of five or more units must be designed and constructed to be readily accessible to and usable by persons with disabilities. For new construction involving five or more units, and substantial rehabilitation projects of 15 or more units (with substantial rehabilitation defined as rehabilitation costs representing 75 percent or more of the replacement costs of the completed facility), the following requirements must be followed - a minimum of 5 percent of the dwelling units must be accessible to individuals with mobility impairments and an additional 2 percent accessible to individuals with sensory impairments. At the minimum, one unit shall be made accessible to mobility-impaired individuals and one unit accessible to sensory impaired individuals. When less than substantial rehabilitation is undertaken in multifamily rental housing projects of any size, these alterations must, to the maximum extent feasible, make the dwelling units accessible to and usable by individuals with disabilities, until a minimum of 5 percent of the dwelling units (but not less than one unit) are accessible to persons with mobility impairments; for this category of less than substantial rehabilitation, the additional 2 percent of the units for persons with sensory impairments does not apply. Also for this category of rehabilitation, if undertaking accessibility alterations imposes undue financial and administrative burdens on the operation of the multifamily housing project, the alterations are not required.

In the case of non-housing facilities involving new construction, the facilities shall be designed and constructed to be readily accessible to and usable by persons with disabilities. For facilities involving alterations, to the extent possible, the alterations should ensure that such facilities are readily accessible to and usable by individuals with disabilities. An element of an existing non-housing facility need not be made accessible, if doing so, would impose undue financial and administrative burdens on the operation of the recipient program or activity. (However, State law will prevail if State accessibility requirements are stricter than federal 504 requirements.) Recipients are still required to take other actions that would ensure that persons with disabilities receive the benefits and services of the program.

E. Davis-Bacon Act, which requires that all laborers and mechanics employed by contractors or subcontractors on construction work financed in whole or in part with Federal funds shall be paid prevailing wages of the locality as determined by the Secretary of Labor.

F. Flood Disaster Protection Act of 1973, which provides that no federal financial assistance for acquisition or construction purposes may be approved for an area having special flood hazards unless the community in which the area is located is participating in the National Flood Insurance Program.

G. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which provides for relocation assistance for any family, individual, business, non-profit organization or farm displaced as a result of acquisition of property with federal funds.

H. Executive Order 11246, amended by Executive Order 12086, Equal Employment and Contracting Opportunities, which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of federally assisted construction contracts.

I. Housing and Urban Development Act of 1968, Section 3, which requires that, in the planning and carrying out of any project assisted under the Act, that to the greatest extent feasible, opportunities for training and employment be given to low and moderate income persons residing within the unit of local government in which the project is located, and that contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by persons residing in the same unit of local government as the project.

J. Lead-Based Paint Poisoning Act, which prohibits the use of lead-based paint in residential structures constructed or rehabilitated with Federal assistance.

K. Housing & Community Developments Act of 1974, 24 CFR Part 5 which provides that assistance shall not be used directly or indirectly to employ, award contracts to, or otherwise engage the services of, or fund any Contractor or sub recipient during any period of debarment, suspension, or placement in ineligibility status under the provisions of 24 CFR part 24. This provision covers all Contractors and subrecipients, as well as subcontractors of Contractor or subrecipient, whose names are included in the "List of Parties Excluded from Federal Procurement and Nonprocurement Programs." Inclusion in the aforementioned List during the term of this agreement would constitute grounds for contract termination as described in Sections 1 and 2 herein this Exhibit. The aforementioned List can be found on the Web at <http://epls.arnet.gov>.

7. UNIFORM ADMINISTRATIVE REQUIREMENTS

A. Contractor, if a governmental entity or public agency, shall comply with the requirements and standards of OMB Circular No. A-87, "Principles for Determining Costs Applicable to Grants and Contracts with State, Local and Federally Recognized Indian Tribal Governments", OMB Circular A-133, "Audits of State, Local Governments and Non-Profit Organizations", and applicable sections of 24 CFR §85 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments", as set forth in 24 CFR §570.502(a).

B. Contractor, if a non-profit organization, shall comply with the requirements and standards of OMB Circular No. A-122, "Cost Principles for Non-Profit Organizations", OMB Circular A-133 Audits of State, Local Governments and Non-Profit Organizations", and applicable Attachments to OMB Circular No. A-110, as set forth in 24 CFR §570.502(b).

C. The CFDA # for the entitlement programs to which this applies are as follows:

- 1) Community Development Block Grant (CDBG): 14.2182)
- 2) Emergency Shelter Grant (ESG): 14.231
- 3) HOME Investment Partnership (HOME): 14.239
- 4) McKinney Supportive Housing: 14.235

**EXHIBIT F
PROPERTY DESCRIPTION**

Order Number: NCS-62541-SA1

Page Number: 6

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Mateo, State of California, described as follows:

PARCEL 1, AS SHOWN ON THAT CERTAIN PARCEL MAP ENTITLED "PARCEL MAP BEING A RESUBDIVISION OF LANDS DESCRIBED IN THOSE CERTAIN DEEDS RECORDED ON REEL 5621 IMAGE 746 (26476-AC); REEL 6548 IMAGE 483 (13734-AH); AND REEL 7784 IMAGE 2058 (21615-AN);, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, STATE OF CALIFORNIA, ON AUGUST 13, 1985 IN BOOK 56 OF PARCEL MAPS AT PAGE(S) 21 AND 22.

JPN: 047 030 300 04 A

APN: 047-300-040-4 and 047-300-060-2 and 047-300-130-3

First American Title Insurance Company

**EXHIBIT G
FINGERPRINTING CERTIFICATION FORM**

Agreement with

Millennium Housing

George Turk, President
Name of Contractor and Representative

For

**To assist in the upgrading of Common Areas at Pillar Ridge (El Granada) Mobile
Home Park**

Contractor agrees that its employees and/or its subcontractors, assignees, and volunteers who, during the course of performing services under this agreement, have contact with children will be fingerprinted in order to determine whether they have a criminal history which would compromise the safety of children with whom contractor's employees, assignees and subcontractors or volunteers have contact.



Name (Signature)

PRESIDENT

Title

10-8-04

Date

ATTACHMENT I
Assurance of Compliance with Section §504
of the Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called the "Contractor (s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor (s) gives/give this assurance in consideration of and for the purpose of obtaining contracts after the date of this assurance. The Contractor (s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor (s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)
a. Employs fewer than 15 persons

b. Employs 15 or more persons and, pursuant to section 84.7 (a) of the regulation (45 C.F.R.

84.7 (a)), has designated the following person (s) to coordinate its efforts to comply with the DHHS regulations.

Name of 504 Person - Type or Print

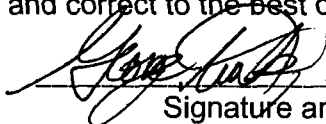
Millennium Housing
660 Newport Center Drive, Suite 1020
Newport Beach, CA 92660

Name of Contractor(s) – type or Print

I certify that the above information is complete and correct to the best of my knowledge.

OCT 8, 2004

Date

 PRESIDENT

Signature and Title of
Authorized Official

*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a disabled person seeking its services, there is no method of complying with (the facility accessibility regulations)...other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

**SAN MATEO COUNTY
MEMORANDUM**

DATE: September 14, 2004

TO: Priscilla Harris Morse

FAX: 363-4864 **PONY:** EPS 163

FROM: Lucho Bravo

FAX: (650) 596-3478 **PONY:** HSA-210

SUBJECT: Contract Insurance Approval

CONTRACTOR NAME: Millennium Housing

DOES THE CONTRACTOR TRAVEL AS A PART OF THE CONTRACT SERVICES?:
No.

NUMBER OF EMPLOYEES WORKING FOR CONTRACTOR: >1

DUTIES TO BE PERFORMED BY CONTRACTOR FOR COUNTY: To assist in the upgrading of Common Areas at Pillar Ridge (El Granada) Mobile Home Park.

The following will be completed by Risk Management:

INSURANCE COVERAGE:	Amount	Approve	Waive	Modify
Comprehensive General Liability	\$ 1m	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motor Vehicle Liability	\$ 1m	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional Liability	\$	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Workers' Compensation	\$ statutory	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS/COMMENTS:

Priscilla Morse

Risk Management Signature

9-15-04

Date

JUN 1 4 2004

**STATE
COMPENSATION
INSURANCE
FUND**

HOME OFFICE
SAN FRANCISCO

REP 09
1604454-04
RENEWAL
NF
2-26-97-90
PAGE 1

ENDORSEMENT AGREEMENT

EFFECTIVE APRIL 1, 2004 AT 12:01 A.M.

ALL EFFECTIVE DATES ARE
AT 12:01 AM PACIFIC
STANDARD TIME OR THE
TIME INDICATED AT
PACIFIC STANDARD TIME

BESSIRE & CASENHISER, INC.

661 BREA CANYON RD STE 7
WALNUT, CA 91789

ANYTHING IN THIS POLICY TO THE CONTRARY NOTWITHSTANDING, IT IS
AGREED THAT THE FOLLOWING LOCATION(S) IS(ARE) HEREBY ADDED TO AND
MADE A PART OF THIS POLICY.

164 CULEBRA STREET
MOSS BEACH CA 94038

NOTHING IN THIS ENDORSEMENT CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE
OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS
POLICY OTHER THAN AS STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE
HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR
LIMITATIONS OF THIS ENDORSEMENT.

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO:

JUNE 2, 2004

9919



AUTHORIZED REPRESENTATIVE



PRESIDENT

STATE COMPENSATION INSURANCE FUND	HOME OFFICE	SAN FRANCISCO	ANNUAL RATING ENDORSEMENT
	IT IS AGREED THAT THE CLASSIFICATIONS AND RATES PER \$100 OF REMUNERATION APPEARING IN THE CONTINUOUS POLICY ISSUED TO THIS EMPLOYER ARE AMENDED AS SHOWN BELOW.		

HERE ARE YOUR NEW RATES FOR THE PERIOD INDICATED. IF YOUR NAME OR ADDRESS SHOULD BE CORRECTED OR IF INSURANCE IS NOT NEEDED FOR NEXT YEAR, PLEASE TELL US.

IMPORTANT THIS IS NOT A BILL
SEND NO MONEY UNLESS STATEMENT IS ENCLOSED

CONTINUOUS POLICY 1604454-04

THE RATING PERIOD BEGINS AND ENDS AT 12:01AM PACIFIC STANDARD TIME

RATING PERIOD 4-01-04 TO 4-01-05

BESSIRE & CASENHISER, INC.
661 BREA CANYON RD STE 7
WALNUT, CALIF 91789

DEPOSIT PREMIUM	\$41,569.00
MINIMUM PREMIUM	\$650.00
PREMIUM ADJUSTMENT PERIOD	MONTHLY
REP 09	R NF

NAME OF EMPLOYER- BESSIRE & CASENHISER INC. AND/OR
B.C. PERSONNEL, INC.
(COMMON OWNERSHIP)

CODE NO. PRINCIPAL WORK AND RATES EFFECTIVE FROM 04-01-04 TO 04-01-05

		BASE RATE	INTERIM BILLING RATE*
8740	APARTMENT OR CONDOMINIUM COMPLEX OPERATION	2.57	2.20
8810	CLERICAL OFFICE EMPLOYEES--N.O.C.	2.24	1.91
9010	MOBILEHOME PARK OPERATION--ALL OTHER EMPLOYEES	23.62	20.19

EXPERIENCE MODIFICATION
4-01-04 TO 4-01-05 88 %

*****BUREAU NOTE INFORMATION*****

FEIN 953880202
FEIN 954639604

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 08/06/2004
PRODUCER (949)472-6560 FAX (949)588-8348 California Southwestern Insurance Agency License Number 0443354 21 Orchard Lake Forest, CA 92630		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED Coach of San Diego, Inc. DBA: El Granada Mobile Home Park 660 Newport Beach Center Dr. Suite 1020 Newport Beach, CA 92660		INSURERS AFFORDING COVERAGE INSURER A: EMC Insurance Companies INSURER B: INSURER C: INSURER D: INSURER E:
		NAIC #

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADDITIONAL INSURED	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	2X75076	08/01/2004	08/01/2005	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	2X75076	08/01/2004	08/01/2005	COMBINED SINGLE LIMIT (EA ACCIDENT) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
A		EXCESS UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	2X75076	08/01/2004	08/01/2005	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATU- TORY LIMITS <input type="checkbox"/> OTH- ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
		OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Location: 164 Culebra Street, Moss Beach, CA 94038 Independent Cities

Lease Finance Authority are named as additional insured with respects to general liability.

Except: 10 day notice of cancellation for non payment of premium

CERTIFICATE HOLDER

Independent Cities Lease Finance Authority
 P.O. Box 1750
 Palmdale, CA 93590

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
