

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO  
(HUMAN SERVICES AGENCY OFFICE OF HOUSING)**

**AND**

**CITY OF EAST PALO ALTO REDEVELOPMENT AGENCY**

**FOR THE**

**COMPREHENSIVE HOMEBUYER ASSISTANCE MORTGAGE  
PROGRAM (CHAMP)**

Contact Person: Anika Stevens  
Telephone number: (650) 802-5040

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND  
CITY OF EAST PALO ALTO FOR THE COMPREHENSIVE HOMEBUYER ASSISTANCE  
MORTGAGE PROGRAM (CHAMP)**

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and **City of East Palo Alto**, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of services to or for County or any Department thereof; and

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of providing assistance to County of San Mateo first time home buyers; and

WHEREAS, pursuant to the National Affordable Housing Act of 1990, Public Law 101-625, enacted November 28, 1990, federal funds through the HOME Investment Partnership Act may be used to assist eligible housing development activities; and

WHEREAS, City of East Palo Alto applied for funding assistance for its Comprehensive Homebuyer Assistance Mortgage Program (CHAMP) to provide down payment assistance loans to low income, first-time homebuyers; and

WHEREAS, on May 22, 2001, the Board of Supervisors approved the HOME funding for FY 2001-02 which included funding for this project.

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

<b>Contract Amount :</b>	\$126,300.00	<b>Start Date :</b>	March 1, 2004
		<b>End Date :</b>	June 30, 2006
<b><u>County Representative</u></b>		<b><u>Contractor Representative</u></b>	
Steve Cervantes		Ilene Dick	
Director Office of Housing		Interim Housing Director	
262 Harbor Blvd., Bldg A		2415 University Ave.	
Belmont, CA 94002		East Palo Alto, CA 94303	
(650) 802-5050		(650) 853-3100	

**1. Exhibits.**

The following exhibits are attached hereto and incorporated by reference herein:

- Exhibit A - Program Description
- Exhibit B - Payments and rates
- Exhibit C- Equal Benefits Compliance Declaration Form
- Exhibit E - Additional Program Requirements

**2. Services to be performed by Contractor.**

In consideration of the payments set forth herein and in Exhibit "B," Contractor shall manage, administer and oversee the program 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 **One hundred twenty six thousand three hundred, (\$126,300).**

**4. Term and Termination.**

Subject to compliance with all terms and conditions, the term of this Agreement shall be from March 1, 2004 through June 30, 2006.

This Agreement may be terminated by Contractor, the Director of the Human Services Agency 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, Equal Benefits Requirements (see Exhibit C) and 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 Contractor who is 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.**

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.

**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.

**In the case of County**

Steve Cervantes  
Director Office of Housing  
262 Harbor Blvd., Bldg A  
Belmont, CA 94002  
(650) 802-5050

**In the case of Contractor**

Ilene Dick  
Interim Housing Director  
2415 University Ave.  
East Palo Alto, CA 94303  
(650) 853-3100

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

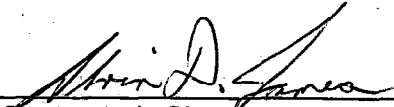
By: \_\_\_\_\_  
President, Board of Supervisors, San Mateo County

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

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

City of East Palo Alto ~~Redevelopment Agency~~

  
\_\_\_\_\_  
Contractor's Signature *CITY MANAGER*

Date: 2/4/04

**Exhibit A**  
**Program Description**

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**INTRODUCTION:**

The Comprehensive Homebuyer Assistance Mortgage Program (CHAMP) shall provide down payment assistance in the form of low interest long term second and third mortgage loans to eligible first time homebuyers. All purchasers will be referred from the Contractor's Central Wait List.

The CHAMP Program shall provide a minimum of six mortgages to qualifying first time homebuyers for the lesser of 24% of the purchase price or \$42,100. The Contractor may supplement the second mortgage in an amount not to exceed \$37,900 in the form of a third mortgage for households with documented financial need established by the lender. A minimum of three loans will be funded from HOME program funds and a minimum of three loans will be funded from the matching funds provided by the Contractor.

All loan recipients will be participants of and referred from the Contractor's Central Wait List, which is in the form of a lottery list maintained by EPA CAN DO under contract with the Contractor. As a condition of referral from the Central Wait List, all purchasers will have completed a homeowner counseling and education course, conducted by EPA CAN DO. The applicants may, but are not required to, live and/or work in East Palo Alto. However, preference points which increase the probability of a family being selected for an available housing unit are awarded for that residency/work status. The homes that will be purchased with the loans will be generated by the Contractor's Below Market Rate (BMR) Ordinance, also known as the Inclusionary Housing Ordinance.

Modifications may be made to this program from time to time, as authorized and agreed upon by the Housing Director of the City of East Palo Alto or his/her designee and the Director of the San Mateo County Office of Housing.

**LOAN PROGRAM DESCRIPTION:**

- Amount of each loan shall be the lesser of 24% of the purchase price or \$42,100.
- The term of the loan will be 30 years.
- The interest rate will be three percent with payments and interest deferred for 5 years.
- Payments will commence in the sixth year and be amortized over the remaining 25 years.
- Recipients of loans funded with Contractor funds, will sign a Resale Restriction and Option to Purchase Agreement specifying a 59 year period of affordability with an automatic 59 year extension if the property is sold, title is transferred or property ceases to be owner-occupied. (This is a Contractor's requirement specifying that if the property is sold during the period of affordability, which is 59 years, the property must be owner



occupied or rented to a low income household. The new owner must also meet HUD income guidelines and a new 59 year period of affordability will apply).

If during the affordability term or the first 20 years of ownership, whichever is less, the property is sold, title is transferred or ceases to be owner-occupied, then a percentage of the new equity appreciation will be paid to the Contractor. (This clause only applies to Contractor's loans and applies if the house is sold and it appraises at a higher value than the original, the difference than must be paid back to the City of EPA).

The percentage of proceeds shall be proportionate to the percentage of down payment provided by the lender. County shall be named as "Beneficiary" on applicable loan documents for loans funded from the HOME Program Trust Fund and any future payments will be made to County or its designated agent.

- Loans that are subsequently repaid will be returned to the HOME Program Trust Fund and shall include principal and accrued interest.
- Applicants must be first-time home buyers. (According to the US Housing and Urban Development (HUD), a first time home buyer is an applicant who has not owned a home as their primary residence within the last three years).
- Borrower's gross annual household income cannot exceed 90% of the area median income as specified by the US Department of Housing and Urban Development (HUD) that is in effect at the time of application.

Household income shall be defined as the income determined by the lender to be stable household income used to qualify for the first mortgage loan. In addition, current income from all household members over the age of 18, who are not full time students, listed for purposes of qualifying under the household size criteria, must be included. (If an individual is counted as a member of the household in order to satisfy the household size/income limit criteria then that member's income must be included in the calculation of household income.)

Household shall be defined as a single person, or two or more people sharing residency whose income resources are available to meet the needs of the household and who are related by blood, marriage or operation of law, or who give evidence of a stable relationship which has existed over a period of one year.

- All borrowers will be required to complete a first-time home buyers education course. This course should be completed as part of the application process for participation on the Central Wait List.

#### PROPERTY REQUIREMENTS:

- The maximum purchase as established by HUD under HOME guidelines is \$384,750.

- Purchase price shall be defined as the total cost of acquiring a residence from a seller. Acquisition cost includes all amounts paid, whether in cash or in kind, by the purchaser or related party for the benefit of the seller as consideration for the property. Not included in the purchase price are the usual and reasonable closing costs paid by the buyer. These costs may include expenses such as title insurance, transfer tax, recording fees, loan fees ("points"), legal fees recurring and non-recurring closing costs. The third loan offered by the program can cover these excluded closing costs.
- Property must be located within the city limits of East Palo Alto and must meet San Mateo County Housing Quality Standards (HQS).
- Property must be a single family attached or detached residence, condominium, townhouse, manufactured home or mobile home.
- The property must be owner occupied or vacant at the time it is listed for sale.
- The purpose of the program is to assist eligible home buyers with the purchase of their primary residence in the City of East Palo Alto. **THE PROPERTY MUST BE OCCUPIED BY THE BORROWER(S). USE OF THE PROPERTY FOR ANY OTHER PURPOSE THAN A PRIMARY RESIDENCE WILL CAUSE THE LOAN TO BECOME DUE AND PAYABLE IMMEDIATELY.**
- Property is subject to the requirements of the Lead Based Paint Hazard Reduction Act of 1992 as it applies to dwellings purchased using HOME funds that were built prior to 1978.
- Contractor shall have the sole responsibility for monitoring Resale Restriction Agreements that are imposed on program borrowers.

**Exhibit B**  
**Method and Rate of Payment to Contractor**

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In consideration of the services provided by Contractor in Exhibit A, County shall fund loans to first-time home buyers based on the following schedule and conditions not to exceed a total loan amount of \$126,300.

In accordance with Contractor's commitment to matching funds as a condition of receiving HOME funds for its CHAMP Program, a HOME funded loan will be made only after Contractor has funded a first time homebuyer's new loan, as stipulated in Exhibit A (i.e., Contractor will fund the first loan, the second loan will be funded from the HOME Program, the third loan will be funded by Contractor, the fourth loan will be funded from the HOME Program, and so forth until HOME and Contractor's funds are exhausted.

Funds will be provided by wire transaction directly to the escrow holder for the home purchase.

**EXHIBIT C  
COUNTY OF SAN MATEO**

**Equal Benefits Compliance Declaration Form**

**I Vendor Identification**

Name of Contractor: City of East Palo Alto  
Contact Person: Ilene Dick  
Address: 2200 University Avenue  
East Palo Alto, CA 94303  
Phone Number: (650) 853-3189  
Fax Number: (650) 853-3179

**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

ALVIN D. JAMES  
Name (Please Print)

City Manager  
Title

2/4/04  
Date

**Exhibit E**  
**Additional Program Requirements**

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**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, County may accelerate payment on the Note and exercise all of its remedies at law or in equity.

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

dwelling 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 subrecipient 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): 14.218
- 2) Emergency Shelter Grant (ESG): 14.231
- 3) HOME Investment Partnership (HOME): 14.239
- 4) McKinney Supportive Housing: 14.235

**Exhibit F**

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**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

ALVIN D. JAMES

---

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

2/4/04  
Date



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:** February 5, 2004

**TO:** Priscilla Harris Morse FAX: 363-4864 PONY: EPS 163

**FROM:**  Lucho Bravo  
FAX: (650) 596-3478

**SUBJECT:** Contract Insurance Approval

The following is to be completed by the department before submission to Risk Management:

CONTRACTOR NAME: City of East Palo Alto Redevelopment Agency

DOES THE CONTRACTOR TRAVEL AS A PART OF THE CONTRACT SERVICES?:

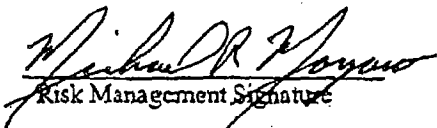
NUMBER OF EMPLOYEES WORKING FOR CONTRACTOR:

DUTIES TO BE PERFORMED BY CONTRACTOR FOR COUNTY: Comprehensive Homebuyer Assistance Mortgage Program (CHAMP)

The following will be completed by Risk Management:

INSURANCE COVERAGE	Amount	Approve	Waive	Modify
Comprehensive General Liability	5 mil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motor Vehicle Liability	5 mil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional Liability		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Workers' Compensation	1 mil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS/COMMENTS:

  
Risk Management Signature

2-5-04  
Date

**STATE** P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

COMPENSATION  
INSURANCE

**FUND CERTIFICATE OF WORKERS' COMPENSATION INSURANCE**

ISSUE DATE: 02-03-2004

GROUP:  
POLICY NUMBER: 644571-2003  
CERTIFICATE ID: 12  
CERTIFICATE EXPIRES: 07-01-2004  
07-01-2003/07-01-2004

COUNTY OF SAN MATEO  
262 HARBOR BLVD. BUILDING A  
BELMONT CA 94002

OFFICIAL STATE  
FUND DOCUMENT

This is to certify that we have issued a valid Worker's Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 10 days advance written notice to the employer.

We will also give you 10 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance 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.

AUTHORIZED REPRESENTATIVE

PRESIDENT

OFFICIAL STATE  
FUND DOCUMENT

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

OFFICIAL STATE  
FUND DOCUMENT

EMPLOYER

CITY OF EAST PALO ALTO  
2415 UNIVERSITY AVE  
E PALO ALTO CA 94303

OFFICIAL STATE  
FUND DOCUMENT



Association of Bay Area Governments

## ABAG PLAN CORPORATION

### Summary of Liability Program 2003-04

The Association of Bay Area Governments (ABAG) is responsible for administering the Pooled Liability Assurance Network (PLAN) Corporation. The PLAN is a non-profit corporation, formed in 1986, whose purpose is to benefit the citizens of each member community by establishing a stable, cost-effective self-insurance, risk sharing and risk management program for each member. ABAG administers the PLAN under the direction of its member communities.

#### **Coverage Provided:** General and Auto Liability

- Coverage A - Bodily Injury
- Coverage B - Property Damage
- Coverage C - Personal Injury
- Coverage D - Public Officials Errors And Omissions

#### **Major Exclusions:**

- Intentional or Expected Damages
- Pollution
- Hospital or Airport Operations
- Dam Failure or Destruction
- Nuclear Material
- Eminent Domain, Condemnation, Inverse Condemnation
- Aircraft
- Transit Systems
- Failure to Supply Gas, Water, or Electricity
- Workers Compensation, Disability or Unemployment Benefits
- Employment Practices
- Damages to an Insured Party

#### **Details for Fiscal Year 2003-04**

**Policy Term:** 7/1/2003 to 7/1/2004

**Primary Coverage:** ABAG PLAN Corporation  
**Policy Number:** ABAG PLAN 03/04  
**Limit of Liability:** \$5 Million Per Loss

**Excess Coverage:** Insurance Company of the State of PA  
**Policy No.:** 4703-4494  
**Limit of Liability:** \$5 Million Excess \$5 Million PLAN Coverage  
*See attached Summary of Excess Insurance for More Information*

#### **Covered Entities & Deductible:**

American Canyon: \$25K; Atherton: \$25k; Belvedere: \$25k; Benicia: \$25k,  
Burlingame: \$250k; Campbell: \$100k; Colma: \$50k; Cupertino: \$100k;  
Dublin: \$50k; East Palo Alto: \$100k; Foster City: \$100k; Gilroy: \$50k; Half Moon Bay: \$50k;  
Los Altos: \$100k; Los Altos Hills: \$25k; Los Gatos: \$50k;  
Millbrae: \$100k; Milpitas: \$100k; Morgan Hill: \$100k; Newark: \$100k; Pacifica: \$100k;  
Portola Valley: \$25k; Ross: \$25k; San Bruno: \$100k; San Carlos: \$100k; Saratoga: \$25k;  
South San Francisco: \$100k; Suisun City: \$25k; Tiburon: \$50k; Woodside: \$25k

*This summary is for informational purposes only and does not alter, amend or change the coverage. Please refer to the Memorandum of Coverage for actual terms conditions & exclusions.*

**ABAG PLAN CORPORATION EXCESS LIABILITY INSURANCE SUMMARY**

Named Insured: ABAG Plan Corporation  
*See separate sheet for list of insureds*

Coverage: **Excess Liability**

Company: The Insurance Company of the State of Pennsylvania  
*A.M. Best's Rating: A++ XV*

Policy Number: 4703 - 4494

Policy Term: July 1, 2003 - July 1, 2004

Description of Coverage: Special Excess Liability for Public Entities  
(Form #70109)

Limits of Insurance:

Aggregate Limits:	\$	5,000,000.	Products - Completed Operations Hazard
Aggregate	\$	5,000,000.	Errors & Omissions Liability Aggregate, other than personal injury offense wrongful acts
	\$	5,000,000.	Employee Benefit Liability Aggregate
Per Occurrence:	\$	5,000,000.	Any one occurrence or wrongful act or employee benefit wrongful act or series of continuous, repeated, or related occurrences or wrongful acts or employee benefit wrongful acts.
Retained Limit:	\$	5,000,000.	Any one occurrence or wrongful act or employee benefit wrongful act or series of continuous, repeated, or related occurrences or wrongful acts or employee benefit wrongful acts.

Exclusions: Including, but not limited to:

- Bodily Injury or Property Damage arising out of a wrongful act or employee benefit wrongful act
- Aviation activities
- Workers' compensation or unemployment compensation law
- Advertising injury
- For Bodily Injury or Property Damage due to an occurrence or loss due to a wrongful act which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time
- Asbestos
- Nuclear Energy Liability

**ABAG PLAN CORPORATION EXCESS LIABILITY INSURANCE SUMMARY, page 2**

- Failure or inability to supply or provide an adequate supply of electricity, fuel, or water arising out of the interruption of the electrical power, fuel or water supply
- Land subsidence
- Direct Condemnation of property, eminent domain, inverse condemnation
- Dam
- Operation of any hospital, clinic or health care facility, owned or operated by the insured
- Transit
- Operation of any school, owned or operated by you
- Terrorism (TRIA) Coverage Excluded

### **Excess Liability Named Insured**

1. American Canyon, City of
2. Atherton, Town of
3. Belvedere, City of
4. Benicia, City of
5. Burlingame, City of
6. Campbell, City of
7. Colma, Town of
8. Cupertino, City of
9. Dublin, City of
10. East Palo Alto, City of
11. Foster City, City of
12. Gilroy, City of
13. Half Moon Bay, City of
14. Town of Hillsborough
15. Los Altos, City of
16. Los Altos Hills, Town of
17. Los Gatos, Town of
18. Millbrae, City of
19. Milpitas, City of
20. Morgan Hill, City of
21. Newark, City of
22. Pacifica, City of
23. Portola Valley, Town of
24. Ross, Town of
25. San Bruno, City of
26. San Carlos, City of
27. Saratoga, City of
28. South San Francisco, City of
29. Suisun City, City of
30. Tiburon, Town of
31. Woodside, Town of