



**AGREEMENT BETWEEN**

**COUNTY OF SAN MATEO**

**DEPARTMENT OF HOUSING**

**AND**

**TRESTLE GLEN ASSOCIATES, A CALIFORNIA LIMITED**

**PARTNERSHIP.**

**to Provide HELP Funds for**

**the Development of Trestle Glen**

**for the period**

**March 24, 2006 through March 23, 2016**

Contact Person: Marina Yu  
Telephone number: (650) 802-5039

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND  
BRIDGE REGIONAL PARTNERS, INC.**

THIS AGREEMENT, entered into this \_\_\_\_ day of \_\_\_\_\_, 2007, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and Trestle Glen Associates, a California limited partnership, hereinafter called "Contractor";

**W I T N E S S E T H:**

WHEREAS, the California Housing Finance Agency (CalHFA) has approved a loan to the County under the Housing Enabled by Local Partnerships (HELP) Program for up to \$1.5 million to assist in the development of Trestle Glen, a development of approximately 119 units located adjacent to the Colma BART Station at 370 F Street, on land in the unincorporated portion of the County near the Town of Colma ("Project"); (Project); and

WHEREAS, the HELP Agreement was executed on March 24, 2006 between the County and CalHFA; and

WHEREAS, the County previously made a loan of the HELP funds in the amount of \$1.5 million to Northpoint Housing, Inc., an affiliate of the Contractor, to assist with acquisition of real property, which loan will be repaid and the proceeds will be provided to Contractor as a loan for assistance with the development of the Project, and.

WHEREAS, it is necessary and desirable that Contractor and County enter an agreement to provide HELP funds for the Project;

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

**1. Exhibits**

The following exhibits and attachments are included hereto and incorporated by reference herein:

Exhibit A – Program/Project Description

Exhibit B – Payments and Rates

Exhibit C – Equal Benefits Compliance Declaration Form

Exhibit D – Additional Program Requirements

Exhibit E - Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973

Notwithstanding any other provisions of this Agreement, in the event of a conflict between the terms of this Agreement and those of an Exhibit, the terms of the Exhibit shall control.

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

In consideration of the payments set forth herein and in Exhibit "B," Contractor shall perform the services (hereinafter referred to as the "services" or the "work") necessary to implement the Program/Project as described in Exhibit A. For the purposes of this contract "Program" or "Project" may be used interchangeably.

**3. Payments**

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein. 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 Million Five Hundred Thousand Dollars, (\$1,500,000).

#### **4. Term and Termination**

Subject to compliance with all terms and conditions, the term of this Agreement shall be from March 24, 2006 through March 23, 2016, unless otherwise modified in Exhibit A.

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.

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.

#### **5. Availability of Funds**

The County shall comply with all obligations of its agreement with CalHFA with respect to the HELP loan in order to ensure that the funds to be provided herein are available to Contractor in accordance with the terms of this Agreement. The County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of CalHFA funds only if the County has performed all of its obligations under its agreement with CalHFA and the cause of the lack of funds is beyond the County's control, 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 services or work provided by 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 it 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 it 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 itself 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
- (b) Motor Vehicle Liability Insurance . . . . . \$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. 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. Where applicable, 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. Compliance with Contractor Employee Jury Service Ordinance**

Contractor shall comply with the County Ordinance with respect to provision of jury duty pay to employees and have and adhere to a written policy that provides that its employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service in San Mateo County. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employees regular pay the fees received for jury service.

**13. 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.

**14. 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.

**15. 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.

**16. 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:

|   |  |
|---|--|
| <p>In the case of County, to:</p> <p>County of San Mateo</p> <p>Director, Department of Housing</p> <p>262 Harbor Blvd., Bldg. A</p> <p>Belmont, CA 94002</p> | <p>In the case of Contractor, to:</p> <p>Trestle Glen Associates, LP.</p> <p>Lydia Tan, Executive Vice President</p> <p>345 Spear Street, Suite 700</p> <p>San Francisco, CA 94105</p> |
|---|--|

\*\*\*\*\* SIGNATURES ON NEXT PAGE \*\*\*\*\*

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

**County of San Mateo**

By: \_\_\_\_\_  
Duane Bay, Director, Dept. of Housing

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

**TRESTLE GLEN ASSOCIATES, a California limited partnership**

**By: BRIDGE NorCal, LLC, a California limited liability company,  
its general partner**

**By: MCB Family Housing, Inc., a California  
nonprofit public benefit corporation, its manager**

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

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

Its: \_\_\_\_\_

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

**Exhibit "A"**  
**Program/Project Description**

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

Contractor's services and work shall consist of Contractor's serving as the developer of the Project described herein.

**A. Project Description**

Funding under this Agreement is provided under the Housing Enabling Loan Program (HELP) administered by the California Housing Finance Agency (CalHFA) and shall be used for costs incurred on behalf of the development of the Trestle Glen Apartments ("Project"). Located at 370 F Street, on unincorporated County land near the Town of Colma ("Property"), the Project, consisting of approximately 119 extremely low and very low income units plus an on-site child care facility.

**B. Eligible Construction Costs**

Eligible construction costs include, but are not limited to: direct construction costs including contractor's administrative costs, and other costs that may be approved by County Housing staff.

**C. Performance Period**

The performance period is defined as the segment of time for Contractor to perform the services or work for which funding is provided under this Agreement. The performance period shall consist of the Project's predevelopment and the construction phases. Notwithstanding this, as required under HELP rules, Contractor shall make its initial request for HELP funds within two years from March 24<sup>th</sup>, 2006, and its final request within four years from this date.

During the performance period, Contractor shall provide at the minimum quarterly performance reports. County shall notify Contractor if more frequent progress reports are warranted. These reports shall delineate progress of the Project, including any challenges that may have affected the Project schedule. Exhibit D describes the quarterly performance reporting in greater detail.

**D. Compliance Period**

The compliance period is defined as the time frame beginning after the completion of the performance period ("Project Completion") and ending when payment is made in full on the Promissory Note described herein, which payments are due and payable no later than March 23, 2016 ("Maturity"). The date demarcating the beginning of the compliance period shall be the date of issuance of the Project's Certificate of Occupancy or the date of completion indicated in the Certificate of Occupancy, whichever is sooner, and which Contractor shall provide the Department of Housing, along with a housing 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.

Project financing is anticipated to include proceeds from low-income tax credits. As such, the Project rents and occupancy will be restricted by this funding source to low income occupancy with



affordable rents. Financing provided under this Agreement is not intended to make the rents and occupancy more restrictive than those required by this or other affordable housing finance sources. Compliance with these other requirements shall constitute compliance with County requirements. Exhibit C describes in greater detail the quarterly performance reporting in greater detail.

Notwithstanding Section 12(a) of this Agreement pertaining to retention of records, Contractor shall maintain all required records for a period of three (3) years after the end of the Compliance Period and all other pending matters are closed.

E. Security

Prior to any disbursement of funds, Contractor shall execute and deliver a Promissory Note (“Note”) in an amount equal to One Million Five Hundred Thousand Dollars (\$1,500,000) and a Deed of Trust in favor of the County to secure the performance of all terms and conditions of the Note and this Agreement. The Note will be non-recourse. When Contractor acquires title to the Property, the Deed of Trust shall be recorded in the Office of the Recorder of the County of San Mateo. The Deed of Trust may be subordinate to any liens of Contractor’s construction and permanent financing, and shall be senior to County financing provided through the Community Development Block Grant and/or HOME Program. County agrees to execute subordination agreements reasonably requested by Contractor’s construction and permanent lenders.

Interest shall accrue at the rate of three percent (3%) simple per annum on the Note for actual amounts disbursed from the HELP Program, or as calculated by the CalHFA, whichever is greater.

F. Repayment

Payment on the Note shall not be required until Maturity and shall be made in full, including accrued interest. The Note and Deed of Trust shall be executed prior to any disbursement of funds under this Agreement, provided, however, the Deed of Trust will not be recorded until Contractor acquires the Property.

G. Prepayment

Prepayments may be made at any time without penalty.

H. Due on Sale, Refinance or Transfer of Title

In the event of a sale or transfer of the Project or any interest therein by Contractor without consent of the County, the entire principal balance of this Note, including any accumulated interest, shall be immediately due and payable, provided, however, the assignment or transfer of the Project to a partnership for purposes of syndicating the low income tax credits and in which the Contractor or a nonprofit affiliate of the Contractor or a limited liability company whose members are a nonprofit affiliate of the Contractor is the general partner, shall not be considered a sale or transfer of the Project.

I. Acceleration of Note

In the event Contractor breaches any of the terms and conditions of this Agreement after thirty (30) days written notice and another thirty (30) days’ opportunity to cure, 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 any accrued interest, and/or may initiate foreclosure proceedings under the Deed of Trust.

Default may result from:

- a. Failure of Contractor to make any payment hereunder as when and due;
- b. Failure of Contractor to perform or observe any terms or provisions of this Agreement;
- c. Use of funds under this Agreement for purposes not approved by the County;
- d. Occurrence of any other event (whether termed default, event of default or otherwise) which under the terms of this Agreement shall entitle the County to exercise rights or remedies hereunder.

J. Interest Rate Adjustment

In addition to any other default remedies, the County, upon thirty (30) days' written notice to Contractor, may increase the interest rate charged on any outstanding principal amount disbursed and not used in accordance with the terms of this Agreement, or not paid back when due, to a rate not to exceed ten percent (10%) per annum. Such rate adjustment shall occur commencing on the first (1<sup>st</sup>) day of the first (1<sup>st</sup>) month following expiration of such thirty (30) days' notice. Such increased interest rate shall only be charged so long as the Contractor remains in default.

K. Title Policy

Should funds provided in this Agreement be used for property acquisition, Contractor shall open an escrow with a mutually acceptable title company and regardless of whether County deposits funds provided in this Agreement into the escrow, County, as a lender, shall provide enabling escrow instructions which shall include instructions to record the Deed of Trust upon acquisition of the Property by the Contractor.

At the close of escrow, Contractor shall obtain a CLTA policy of title insurance in an 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 be responsible for paying 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.

L. Fire and Extended Coverage

Contractor at its costs shall maintain on 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 and shall be subject to the interest of senior lenders.

Subject to the requirements of senior lenders 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 of receipt of insurance proceeds, 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 after receipt of insurance proceeds 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. Subject to the requirements of senior lenders, Contractor shall also sell the vacant land on the open market and the proceeds of said land sale shall be distributed first to the County to repay any interest and principal due under the Loan with the remainder of all proceeds to be distributed to the Contractor

M. Notification to County of Lease-Up and Tenant Marketing

Contractor shall provide the County with a copy of Contractor's tenant marketing plan for the Project plus notices advertising availability of units. The County shall, in turn, advertise any Project openings or vacancies through its on-going housing informational communication to outside agencies.

N. Mandatory Acknowledgement of Funding Agency

All projects/programs receiving any type of funding assistance and or substantial technical assistance through the San Mateo County Department of Housing will be required to state such in any advertising, marketing, public presentations, press releases, written materials or project descriptions. Such acknowledgement should also identify the California Housing Finance Agency.

All capital projects shall display signage as described below:

- **Temporary Construction Signage** must be appropriately displayed during the major portion of the construction phase. Such signage must be provided by the Contractor and must be pre-approved by the Department of Housing in design and content.
- **Permanent Historical Signage** must be attached to all completed projects and must be displayed in a visible, highly trafficked area of the project, e.g, front lobby, main entry or walkway, etc. Location of display must be approved by the Department of Housing. Permanent historical signage may be in the form of an 8" x 10" bronze plaque provided by the Department of Housing, in which cost of said plaque shall be reimbursed to County from loan proceeds as a project cost or an alternative display approved by the Department of Housing. The Director of the Department of Housing may, at his sole discretion, waive this requirement if he determines that such placement would not be appropriate to the project.

**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 pay Contractor based on the following terms:

Payment by County shall be made based on draws submitted by Contractor to County. Draws shall include copies of invoices received. As noted in Exhibit A, HELP rules require that Contractor make its initial request of funds under this Agreement within two years from March 24<sup>th</sup>, 2006, and its final request within four years from this date.

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 will not be responsible for any charges levied by such third party due to failure to make payments or to meet time requirements set forth in their agreement with Contractor.

Contractor shall certify in writing that the specific services for which 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.

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. 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.

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

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.

Upon completion of the project Contractor shall provide a Tenant Profile and Project Completion Report.

No requests for reimbursement or third party payment will be processed until all reports required hereunder, including any applicable prevailing wage documents have been received by the Department of Housing.

In the event of termination prior to completion of the Project any funds not expended shall be paid down against the principal of the loan. Any remaining principal, plus accrued interest, if any, shall be immediately due and payable in accordance with the provision of the Promissory Note.

Equal Benefits Compliance Declaration Form

**I Vendor Identification**

Name of Contractor \_\_\_\_\_  
 Contact Person \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Phone Number \_\_\_\_\_  
 Fax Number \_\_\_\_\_

**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

\_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**Exhibit D**  
**Additional Program Requirements**

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**1. BREACH OF AGREEMENT**

This Agreement is governed by applicable federal, state and local statutes and regulations. 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 CalHFA.

**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 financial interest, direct or indirect, in this Agreement or a related subcontract, or the proceeds thereof.

Contractor shall not contract with any third party or subcontractor that will cause a violation of the preceding paragraph. Contractor shall incorporate the above provision into all contracts awarded in connection with this Agreement.

**4. RIGHT TO INSPECT**

Contractor shall allow the County or CalHFA, on written consent, to have reasonable access to and the right to inspect all records that pertain to the Project and funding provided under this Agreement. Contractor shall also permit the County and CalHFA to enter, at reasonable times, upon the Project to inspect the work progress. In accordance with Section 13 of this Agreement, all records, accounts, documentation and other material relevant to a fiscal audit or examination, as specified by the County or CalHFA, shall be retained and made available to either entity for a period of not less than three (3) years from the date of the termination of this Agreement.

**5. FAIR EMPLOYMENT PRACTICES**

Contractor shall provide, and require that any subcontractor engaged in work on the Project shall provide, equal opportunity for employment without discrimination as to race, sex, marital status, color, religion, sexual orientation, source of income, national origin or ancestry.

## Exhibit E

### 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 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 regulation.

\_\_\_\_\_  
Name of 504 Person - Type or Print

\_\_\_\_\_  
Name of Contractor(s) - Type or Print

\_\_\_\_\_  
Street Address or P.O. Box

\_\_\_\_\_  
City, State, Zip Code

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title of Authorized Official

\_\_\_\_\_  
Date

\*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."