

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY**

DEPT: Planning and Community Development

BOARD AGENDA: 6.1  
AGENDA DATE: February 27, 2018

**SUBJECT:**

Public Hearing to Consider Approval of a Substantial Amendment to the Neighborhood Stabilization Program (NSP) Action Plans to Fund an Affordable Housing Project Proposal, Oak Leaf Meadows, in the City of Oakdale and Reallocate NSP Funds

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2018-0106**

On motion of Supervisor Olsen Seconded by Supervisor Withrow  
and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2)        Denied

3)        Approved as amended

4)        Other:

**MOTION:**

ATTEST: Elizabeth A. King  
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Planning and Community Development

BOARD AGENDA:6.1

AGENDA DATE: February 27, 2018

CONSENT ☐

CEO CONCURRENCE:

4/5 Vote Required: Yes

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**SUBJECT:**

Public Hearing to Consider Approval of a Substantial Amendment to the Neighborhood Stabilization Program (NSP) Action Plans to Fund an Affordable Housing Project Proposal, Oak Leaf Meadows, in the City of Oakdale and Reallocate NSP Funds

**STAFF RECOMMENDATION:**

1. Conduct a Public Hearing to consider approval of a Substantial Amendment to the Neighborhood Stabilization Program (NSP) Action Plans to fund an affordable housing project proposal, Oak Leaf Meadows, in the City of Oakdale and reallocate NSP funds.
2. Authorize the Director of the Planning and Community Development Department to take all actions necessary to implement the substantial amendment to Neighborhood Stabilization Program 1 and 3 Action Plans, including the execution of required agreements, and other necessary documents, with the Housing Authority of the Stanislaus County
3. Approve budget adjustments for the Neighborhood Stabilization Program 1 and Neighborhood Stabilization Program 3.
4. Direct the Auditor-Controller to increase revenues and appropriations by \$528,900 in the Neighborhood Stabilization Program 1 and \$1,049,850 in the Neighborhood Stabilization Program 3 budgets as detailed in the Budget Journal form.

**DISCUSSION:**

On March 19, 2009, Stanislaus County as the “lead entity” of the Stanislaus Urban County (hereafter “Urban County”), was allocated \$9.7 million through the Neighborhood Stabilization Program (NSP) funds, commonly referred to as NSP 1. On January 31, 2012, Stanislaus County was awarded \$4.2 million of additional NSP funding, commonly referred to as NSP 3. Both grant awards, totaling \$13.9 million, were provided to the Urban County to mitigate the negative effects of foreclosed residential properties. NSP funding was allocated by the United States Department of Housing and Urban Development (HUD) and could be used to acquire foreclosed property; to demolish or rehabilitate abandoned and dangerous properties; and/or to offer down payment and closing cost assistance to low and moderate-income

homebuyers (household incomes not exceeding 120 percent of area median income) purchasing NSP acquired properties.

Since 2009, the Urban County's NSP efforts have been dedicated to the acquisition, rehabilitation, and resale of foreclosed properties as eligible activities. From 2009 to December 31, 2017, the Urban County expended a total estimated \$18.7 million in NSP grant funding and revolving NSP program income, which is generated from the resale of acquired and rehabilitated properties; meeting all required federal funding expenditure deadlines.

Pursuant to NSP 1 Action Plan Amendment No. 2, approved by the Board of Supervisors on August 28, 2012, (reflected as Chapter 5 of the NSP1 Action Plan); the Urban County, Housing Authority of the County of Stanislaus (HACS) and the City of Oakdale proposed a revised affordable housing project option to develop a previously acquired NSP property in the City of Oakdale. That project, consisting of single and multi-family dwelling units, was not developed.

#### Affordable Housing Project Status Update

On January 16, 2018, the City of Oakdale approved a new land use entitlement for a revised affordable housing and multi-family residential project – Oak Leaf Meadows Project.

The Oak Leaf Meadows Project is a proposed multi-family affordable rental housing partnership project between HACS, Visionary Home Builders of California (VHBC), and Great Valley Housing Development Corporation (GVHDC). The project site is located at 1135 E. J Street in Oakdale, California. The project will consist of 56 multi-family affordable housing units, consisting of two and three-bedroom housing units on a 3.29+/- acre property. On-site amenities in the project include a gathering area, a tot lot, a play area, a 5,000 square foot community center, and a day care/head start facility.

At construction completion, the total project budget is estimated to be \$22.0 million, which includes acquisition, design, construction and financing costs of the 56 units, along with off-site improvements. The HACS is pursuing funding from the State of California low-income housing tax credit incentive program and HACS funds totaling \$19.0 million dollars. Stanislaus Urban County staff is proposing to commit \$3.0 million in NSP Program Income in the form of gap funding, which would compromise the project if not funded. In addition, \$90,000 in NSP funds will be allocated to the HACS for administrative costs, in accordance with NSP guidelines. Of the total \$22.0 million project cost, the on-site new construction costs are estimated at \$12.6 million (\$225,000/unit construction cost) (see Attachment 2 Housing Authority of the County of Stanislaus Sources and Uses Table January 2018).

Fourteen of the 56 units, will be designated as NSP assisted units, which will provide housing that is affordable to households with annual incomes below or at 50% area median income (AMI). A provision of the funding requires that the NSP assisted units be maintained by the HACS as affordable rental units for 55 years.

## Proposed Substantial Amendment

In order to provide Urban County HUD NSP funding to the proposed project, the Planning and Community Development Department is seeking approval for a Substantial Amendment to NSP 1 and NSP 3 Action Plans.

Proposed Amendment No. 4 to the NSP 1 Action Plan is to commit \$3 million for the construction of the Oak Leaf Meadows Project. To fund this amount, staff is recommending reallocating approximately \$925,000 that had been previously approved for use on activities associated with the Abandoned and Dangerous Building (ADB) Program to the Oak Leaf Meadows Project.

Proposed Amendment No. 3 to the NSP 3 Action Plan is to reallocate the balance (approximately \$367,000) in the Abandoned and Dangerous Building (ADB) program together with reallocating approximately \$264,000 in Down Payment Assistance Program (DPAP) funding to the In-fill Housing Acquisition Activity (the In-Fill Housing Acquisition Activity within the HUD system covers not only acquisition, but also the construction and rehabilitation activities associated with NSP acquired properties). To date, none of the Urban County cities have utilized the ADB program funding, and the County's own efforts have been limited.

Specifically, the proposed substantial amendment proposes to add Chapter 7, Section 7.1 to NSP 1 to include an affordable multi-family housing project (Oak Leaf Meadows Project) as an eligible activity and to reduce the amount of funding allocated to the ADB Program funded with NSP 1 funds (see Attachment 1, Substantial Amendment NSP 1 and NSP 3 - February 27, 2018). No amendment to the NSP 3 programs in the Action Plan is being proposed. The substantial amendment in the case of NSP 3 is triggered by the amount of funding, over \$150,000 per activity, that is proposed for reallocation among approved programs.

The proposed substantial amendment will be the fourth amendment for NSP1 and the third amendment for NSP 3. The following is a chronological overview of the previous amendments which are also available online at: <http://www.stancounty.com/planning/cdbg/plans-and-reports.shtm>

- NSP 1 Substantial Amendment No. 1 – Chapter 4 approved April 27, 2010, to expand the eligible activity areas of NSP 1 and to include down payment assistance as an eligible activity.
- NSP 1 Substantial Amendment No. 2 – Chapter 5 approved on September 18, 2012, to provide options for disposition of an NSP acquired property in the City of Oakdale.
- NSP 3 Substantial Amendment No. 1 – Appendix D approved on September 18, 2012, to include additional target areas.
- NSP 1 Substantial Amendment No. 3, NSP 3 Substantial Amendment No. 2. June 24, 2014, adding Demolition as an Eligible Activity.

In order to approve the proposed substantial amendment, a 30 day public review and comment period must be provided and the Board of Supervisors must hold a public hearing to solicit public comment. The proposed substantial amendment was advertised for a 30 day public review period beginning on January 25, 2018, and ending on February 26, 2018. At the time of preparation of this report, no public comments were submitted. A summary of any public comments on the proposed amendment will be provided to the Board at the public hearing.

The substantial amendment released for public review reflected the NSP funding terms to be an interest-free loan, forgivable after 55 years. Since the release, the HACS has requested that the NSP funding terms be in the form of a funding grant, with the inclusion of affordability restrictions for 55 years. Staff supports this request and if approved by the Board, these terms will be reflected in the NSP 1 Action Plan. The attached draft substantial amendment reflects this requested change in stricken and bold text. The funding allocations in the chart on page 4 of the draft substantial amendment have also been updated to reflect an increase in available program income funding.

In order to fund the Oak Leaf Meadows Project, environmental assessment in compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) must be completed. The CEQA process was completed by the City of Oakdale, with the adoption of a Mitigated Negative Declaration by the City Council on January 16, 2018, and the NEPA process is underway by the County. A combined Notice of Finding of No Significant Impacts and Notice of Intent to Request Release of Funds was published in The Modesto Bee on January 9, 2018; with a public comment period for both notices ending on January 26, 2018. If approved by the Board of Supervisors, the substantial amendment will be submitted to HUD for approval.

#### **POLICY ISSUE:**

On September 9, 2014, the Board of Supervisors approved a Citizen Participation Plan for the Urban County as required by U.S. Department of Housing and Urban Development regulations located at 24 CFR 91.105 "Citizen Participation Plan." The Plan sets forth the Stanislaus Urban County's policies and procedures for citizen participation with respect to Community Development Block Grant (CDBG) and Emergency Solutions Grants (ESG) Program. Although not explicit, the NSP program is considered and treated as if it were CDBG funds, subject to its requirements. Each grantee is required to follow its citizen participation process for substantial amendments found at 24 CFR 91.105 and 91.115, subject to a 30 day public review period. A substantial amendment includes both the addition of a new activity, the Oak Leaf Meadows Project, and the reallocation of funds, in the amount of \$150,000 or more, from one activity to another. Pursuant to "Section II. Consolidated Plan and Annual Action Plan Amendment and Section V. Public Hearings, Notification and Access" of the Stanislaus Urban County Citizen Participation Plan for HUD Programs, adopted on September 9, 2014, the Board of Supervisors may approve a substantial amendment to an action plan after considering any submitted written and verbal comments provided during the advertised public review period and public hearing.

## FISCAL IMPACT:

As of December 31, 2017, the total estimated program income remaining available is \$3.5 million in NSP 1 and \$1.1 million in NSP 3. The 2017-2018 Adopted Final Budget for NSP 1 included revenues and appropriations totaling \$3,020,120 and \$61,050 for NSP 3 activities. At this time, staff is recommending the Board of Supervisors direct the Auditor-Controller to increase revenues and appropriations by \$528,900 for the NSP 1 and \$1,049,850 for the NSP 3 budgets as outlined in the attached budget journal form. With the Board of Supervisors' approval, the total NSP 1 budget will increase to \$3,549,000 and NSP 3 will increase to \$1,110,900 as outlined in the sources and uses chart below.

<b>Neighborhood Stabilization Program Income (NSP 1) Sources</b>	<b>Amount</b>
Neighborhood Stabilization Program Income (NSP 1)	\$3,549,000.00
<b>Total</b>	<b>\$3,549,000.00</b>

<b>Neighborhood Stabilization Program Income (NSP 1) Uses</b>	<b>Amount</b>
Oak Leaf Meadows Affordable Housing Project Site Improvements	\$2,050,000
Oak Leaf Meadows Project Affordable Housing Impact Fees	\$950,000
Housing Authority Project Administration (Oak Leaf Meadows Project)	\$90,000
County Administration of NSP 1 Program	\$409,000
Abandoned and Dangerous Building Program	\$50,000
<b>Total</b>	<b>\$3,549,000</b>

<b>Neighborhood Stabilization Program Income (NSP 3) Sources</b>	<b>Amount</b>
Neighborhood Stabilization Program Income (NSP 3)	\$1,110,900
<b>Total</b>	<b>\$1,110,900</b>

<b>Neighborhood Stabilization Program Income (NSP 3) Uses</b>	<b>Amount</b>
New Construction - Veterans Housing (6 Units) – in progress	\$398,500
Housing Authority Project Administration (Veterans Housing)	\$11,900
In-Fill Housing Acquisition Activity (through Housing Authority)	\$515,000
Housing Authority Project Administration (In-Fill Housing)	\$15,500
County Administration of NSP 3 Program	\$120,000
Abandoned and Dangerous Building Program	\$50,000
<b>Total</b>	<b>\$1,110,900</b>

There is no additional cost to the County General Fund.

**BOARD OF SUPERVISORS' PRIORITY:**

Approval of this action supports the Board's priorities of Supporting Strong & Safe Neighborhoods, Supporting Community Health, Developing a Healthy Economy, and Delivering Efficient Public Services and Community Infrastructure through the reuse of funds aimed at stabilizing neighborhoods through the creation of much needed affordable housing consistent the County's General Plan.

**STAFFING IMPACT:**

The Planning and Community Development Department will maintain administration and oversight of the project funding for the Urban County.

**CONTACT PERSON:**

Angela Freitas, Planning and Community Development Director  
Telephone: (209) 525-6330

**ATTACHMENT(S):**

1. NSP 1 and 3 Substantial Amendment No. 4 02-27-18
2. Sources and Uses of Funding for Oak Leaf Meadows Project
3. BUDGET JV 2844 02 05 2018 NSP 3 Budget Adjustments
4. BUDGET JV 2843 02 05 2018 NSP 1 Budget Adjustments



# COMMUNITY DEVELOPMENT BLOCK GRANT



STANISLAUS URBAN COUNTY

*Prepared by the Stanislaus County  
Planning and Community Development Department  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354  
209.525.6330*

## NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

THIS IS A SUBSTANTIAL AMENDMENT TO:  
FISCAL YEAR 2008-2009 ACTION PLAN AMENDMENT (NSP 1)  
FISCAL YEAR 2010-2011 ACTION PLAN AMENDMENT (NSP 3)

**Revised Draft February 27, 2018**  
**(Revisions are depicted in strike-out and bold format)**

This amendment authorizes the use of NSP 1 program income funds, including the reallocation of Abandoned and Dangerous Building (ADB) funding, to develop a multifamily affordable housing project (Oak Leaf Meadows Project) on NSP acquired property in the City of Oakdale and to reallocate NSP 3 funds from the ADB program and the Down Payment Assistance Program to the In-fill Housing Acquisition Activity for use in ongoing NSP activities. Proposed changes recognizing the development of the Oak Leaf Meadows Project will be reflected as Chapter 7, Section 7.1 of the Fiscal Year 2008-2009 Action Plan Amendment.

Approved Action Plans and Amendments are available on-line at:  
<http://www.stancounty.com/planning/cdbg/plans-and-reports.shtm>



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## Section 7.1- Oak Leaf Meadows Project - Affordable Housing

### A. PROPOSED ACTIVITY

The Stanislaus Urban County is proposing to use a portion of NSP 1 program income (\$3,000,000) available to develop an affordable multi-family housing project (Oak Leaf Meadows Project) in the City of Oakdale.

Pursuant to NSP1 Action Plan Amendment No. 2 approved by the Board Of Supervisors in August, 28, 2012, (reflected as Chapter 5 of the NSP1 Action Plan); the Urban County, Housing Authority of the County of Stanislaus (HACS) and the City of Oakdale have been evaluating all alternative options to develop a previously acquired NSP property in the City of Oakdale. On January 16, 2018, the City of Oakdale approved a new land use entitlement for a revised affordable housing project and a multi-family residential project – Oak Leaf Meadows Project.

The Oak Leaf Meadows Project is a multi-family affordable rental housing partnership project between HACS, Visionary Home Builders of California (VHBC), and Great Valley Housing Corporation (GVHDC). The project site is located at 1135 E. J Street in Oakdale, California. The project will consist of 56 multi-family affordable housing units, consisting of two and three-bedroom housing units on a 3.29+/- acre property. On-site amenities in the project include a gathering area, a tot lot, a play area, a 5,000 square foot community center, and a day care/head start facility.

The overall project is estimated to cost approximately \$22,000,000. The HACS is pursuing funding from State Low-income Housing Tax Credits and HACS funds. The Stanislaus Urban County is allocating \$3,000,000 in NSP Program Income funds as gap funding. In addition, \$90,000 in NSP funds will be allocated to the HACS for administrative costs. ~~The terms of NSP funding are proposed to be an interest-free loan, forgivable after 55 years.~~ **The NSP funding terms shall be in the form of a grant with a 55-year affordable housing covenant of NSP assisted units.**

Fourteen of the 56 units, will be designated as NSP assisted units, which will provide housing that is affordable to households with annual incomes below or at 50% area median income (AMI). The NSP assisted units will be maintained by the HACS as affordable rental units for 55 years.

The February 27, 2018, approval of the NSP 1 Action Plan Amendment adding this Section included: an allocation of \$3,000,000 to the Oak Leaf Meadows Project and reallocation of approximately \$925,000 in NSP1 funds from the Abandoned and Dangerous Building (ADB) program to the Oak Leaf Meadows Project.

At the same time as the NSP 1 Action Plan Amendment, an amendment to the NSP 3 Action Plan was approved to include the following: reallocation of approximately \$367,000 in the ADB program together with reallocation of approximately \$264,000 in Down Payment Assistance Program (DPAP) funding to the In-fill Housing Acquisition Activity, to fund ongoing NSP activities.

The following reflects the allocation and reallocation of NSP 1 and 3 funding as approved on February 27, 2018:

<b>Neighborhood Stabilization Program Income (NSP 1) Sources</b>	<b>Amount</b>
Neighborhood Stabilization Program Income (NSP 1)	\$3,549,000.00
<b>Total</b>	<b>\$3,549,000.00</b>

<b>Neighborhood Stabilization Program Income (NSP 1) Uses</b>	<b>Amount</b>
Oak Leaf Meadows Affordable Housing Project Site Improvements	\$2,050,000
Oak Leaf Meadows Project Affordable Housing Impact Fees	\$950,000
Housing Authority Project Administration (Oak Leaf Meadows Project)	\$90,000
County Administration of NSP 1 Program	\$409,000
Abandoned and Dangerous Building Program	\$50,000
<b>Total</b>	<b>\$3,549,000</b>

<b>Neighborhood Stabilization Program Income (NSP 3) Sources</b>	<b>Amount</b>
Neighborhood Stabilization Program Income (NSP 3)	<del>\$1,095,000</del> <b>\$1,110,900</b>
<b>Total</b>	<del>\$1,095,000</del> <b>\$1,110,900</b>

<b>Neighborhood Stabilization Program Income (NSP 3) Uses</b>	<b>Amount</b>
New Construction - Veterans Housing (6 Units) – in progress	<del>\$328,200</del> <b>\$398,500</b>
Housing Authority Project Administration (Veterans Housing)	<del>\$9,800</del> <b>\$11,900</b>
In-Fill Housing Acquisition Activity (through Housing Authority)	<del>\$567,000</del> <b>\$515,000</b>
<b>Housing Authority Project Administration (In-Fill Housing)</b>	<b>\$15,500</b>
County Administration of NSP 3 Program	<del>\$140,000</del> <b>\$120,000</b>
Abandoned and Dangerous Building Program	\$50,000
<b>Total</b>	<b>\$1,110,900</b>

Section 7.2 – Map of subject property (APN's: 064-025-032 and 064-025-018)



**Attachment # 2**

**Housing Authority of the County of Stanislaus**

**Sources and Uses Table**

**January 2018**

DRAFT For Discussion Purposes Only

A. Development Budget			PERMANENT SOURCES							
	TOTAL PROJECT COST	RESIDENTIAL COST	COMMERCIAL COST	Tax Credit Equity	Stanislaus County Contribution	Perm	3. Deferred Developer Fees	Carry Back Note /Road contribution	70% PVC for New Construction/ Rehabilitation	30% PVC for Acquisition
LAND COST/ACQUISITION										
Land Cost or Value	650,000	650,000						650,000	XXXXXXXXXX	XXXXXXXXXX
Demolition		0							XXXXXXXXXX	XXXXXXXXXX
Land/Holding Costs	40,000	40,000				40,000			XXXXXXXXXX	XXXXXXXXXX
Total Land Cost or Value	\$690,000	\$690,000	\$0	\$0	\$0	\$40,000	\$0	\$650,000	XXXXXXXXXX	XXXXXXXXXX
Existing Improvements Value	0	0							XXXXXXXXXX	0
Off-Site Improvements	1,350,000	1,350,000		602,395				747,605	XXXXXXXXXX	
Total Acquisition Cost	\$1,350,000	\$1,350,000	\$0	\$602,395	\$0	\$0	\$0	\$747,605	\$0	\$0
REHABILITATION										
Site Work									0	
Structures									0	
General Requirements									0	
Contractor Overhead									0	
Contractor Profit									0	
P&P Bond									0	
General Liability Insurance									0	
Total Rehab. Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Relocation Expenses	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
NEW CONSTRUCTION										
Site Work	2,500,000	2,500,000			2,050,000				2,500,000	
Structures	7,700,000	7,700,000		6,086,559		1,613,441			7,700,000	
General Requirements	241,000	241,000		241,000					241,000	
Contractor Overhead	241,000	241,000		241,000					241,000	
Contractor Profit	1,205,000	1,205,000		1,205,000					1,205,000	
Solar	500,000	500,000		500,000					500,000	
General Liability Insurance	200,000	200,000		200,000					200,000	
Total New Construction Costs	\$12,587,000	\$12,587,000	\$0	\$8,473,559	\$2,050,000	\$1,613,441	\$0	\$0	\$12,587,000	\$0

	TOTAL PROJECT COST	RESIDENTIAL COST	COMMERCIAL COST	Tax Credit Equity	<u>Stanislaus County Contribution</u>	<u>Perm 0</u>	<u>3. Deferred Developer Fees</u>		70% PVC for New Construction/ Rehabilitation	30% PVC for Acquisition
<b>ARCHITECTURAL FEES</b>										
Design	400,000	400,000		400,000					400,000	
Supervision		0		0					0	
<b>Total Architectural Costs</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$0</b>	<b>\$400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$400,000</b>	<b>\$0</b>
<b>Total Survey &amp; Engineering</b>	<b>\$235,000</b>	<b>\$235,000</b>		<b>\$235,000</b>					<b>\$235,000</b>	
<b>CONST. INTEREST &amp; FEES</b>										
Const. Loan Interest	458,723	458,723		458,723					458,723	
Origination Fee	122,326	122,326		122,326					52,268	
Const. Loan Expenses	50,000	50,000		50,000					50,000	
Inspections	18,000	18,000		18,000					18,000	
P&P Bond	238,774	238,774		238,774					238,774	
Synd. Consulting/Legal	50,000	50,000		50,000					0	
Title And Recording	15,000	15,000		15,000					15,000	
<b>Total Const. Interest &amp; Fees</b>	<b>\$952,823</b>	<b>\$952,823</b>	<b>\$0</b>	<b>\$952,823</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>832,765</b>	<b>0</b>
<b>PERMANENT FINANCING</b>										
Loan Origination Fee	15,000	15,000		15,000					XXXXXXXX	XXXXXXXX
Credit Enhance. & App. Fee	10,000	10,000		10,000					XXXXXXXX	XXXXXXXX
Title And Recording		0		0					XXXXXXXX	XXXXXXXX
Perm Legal	10,000	10,000		10,000					XXXXXXXX	XXXXXXXX
<b>Total Perm. Financing Costs</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$0</b>	<b>\$35,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>XXXXXXXX</b>	<b>XXXXXXXX</b>
<b>LEGAL FEES</b>										
Lender Legal Pd. by Applicant	50,000	50,000		50,000					50,000	
Other (Specify) <u>Borrower Atty</u>	100,000	100,000		100,000					75,000	
<b>Total Attorney Costs</b>	<b>\$150,000</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$125,000</b>	<b>\$0</b>
<b>RESERVES</b>										
Rent Reserves	50,000	50,000		50,000					XXXXXXXX	XXXXXXXX
Capitalized Replacement Reserves	33,600	33,600		33,600				0	XXXXXXXX	XXXXXXXX
* 3-Month Operating Reserves	118,573	118,573		118,573						
<b>Total Reserve Costs</b>	<b>\$202,173</b>	<b>\$202,173</b>	<b>\$0</b>	<b>\$202,173</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>XXXXXXXX</b>	<b>XXXXXXXX</b>
<b>Total Appraisal Costs</b>	<b>\$15,500</b>	<b>\$15,500</b>		<b>\$15,500</b>					<b>\$15,500</b>	

Note: Syndication Costs may not be included as a project cost. \*Operating Reserve is required - Regulation Section 10327(c)(8)(C).

	TOTAL PROJECT COST	RESIDENTIAL COST	COMMERCIAL COST	Tax Credit Equity	Stanislaus County Contribution	Perm 0	3. Deferred Developer Fees		70% PVC for New Construction/ Rehabilitation	30% PVC for Acquisition
<b>TOTAL CONSTRUCTION</b>	<b>\$1,238,700</b>	<b>\$1,238,700</b>		<b>1,238,700</b>					<b>\$1,238,700</b>	
<b>CONTINGENCY COSTS</b>										
<b>OTHER</b>										
TCAC App/Alloc/Monitor Fees	80,692	80,692		80,692					XXXXXXXXXX	XXXXXXXXXX
Environmental/Energy Audit	50,000	50,000		50,000					50,000	
Local Dev. Impact Fees	950,000	950,000		450,000	950,000				950,000	
Permit Processing Fees	185,000	185,000		185,000					185,000	
Soft Cost Contingency	250,000	250,000		250,000					79,517	
Marketing	30,000	30,000		30,000					XXXXXXXXXX	XXXXXXXXXX
Furnishings	30,000	30,000		30,000					30,000	
Market Study/Traffic/Sound Study	26,000	26,000		26,000					26,000	
Audit/Cost Cert/Security	115,000	115,000		115,000					115,000	
<b>Total Other Costs</b>	<b>\$1,716,692</b>	<b>\$1,716,692</b>	<b>\$0</b>	<b>\$1,216,692</b>	<b>\$950,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,435,517</b>	<b>\$0</b>
<b>Subtotals</b>	<b>\$19,572,888</b>	<b>\$19,572,888</b>	<b>\$0</b>						<b>16,869,482</b>	<b>0</b>
	<b>Total Project Cost</b>	<b>Total Residential</b>	<b>Total Commercial</b>							
<b>\$2,530,422</b>										
<b>DEVELOPER COSTS</b>										
Developer Overhead/Profit	2,380,422	2,380,422		2,380,422					2,380,422	\$0
Consultant/Processing Agent	0	0							0	
Project Administration	0	0							0	
Syndicator Consulting Fees	0									
Personal Guarantee Fees										
Construction Management	0									
Oversight by Developer										
Other (specify)	0	0							0	
<b>Total Developer Costs</b>	<b>\$2,380,422</b>	<b>\$2,380,422</b>	<b>\$0</b>	<b>\$2,380,422</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,380,422</b>	<b>\$0</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$21,953,310</b>	<b>\$21,953,310</b>	<b>\$0</b>	<b>\$15,902,264</b>	<b>\$3,000,000</b>	<b>\$1,653,441</b>	<b>\$0</b>	<b>\$1,397,605</b>	<b>\$19,249,904</b>	<b>\$0</b>
<b>Note: Syndication Costs may not be included as a project cost.</b> <b>*Calculate Maximum Developer Fee pursuant to Regulation 10327(c)(2) using these eligible basis</b> <b>subtotals. Reminder: Developer cost limits are different than basis limits.</b>										
<div> <div>Bridge Loan Expense During Construction</div> <div>Total Eligible Basis</div> </div>									<b>\$19,249,904</b>	<b>\$0</b>



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DO NOT CHANGE  
ENTER AS MMM-YY (ALL CAPS FOR MMM) EX: NOV-11

DO NOT CHANGE  
DO NOT CHANGE

[illegible]

Tip: This is not the end of the Template. Unprotect the sheet and insert as many rows as needed

Explanation: To adjust NSP 3 budget items to facilitate Housing Authority transaction.				
Requesting Department		CEO	Data Entry	Auditors Office Only
Denny Marshall	Patrick Cavanah			Melody Bughi
Prepared by	Supervisor's Approval	Keyed by	Prepared By	Approved By
2/15/2018	2/15/2018			2/15/2018
Date	Date	Date	Date	Date

Database	FMSDBPRD.CO.STANISLAUS.CA.US.PROD	DO NOT CHANGE
Balance Type	Budget	DO NOT CHANGE
Data Access Set	County of Stanislaus	DO NOT CHANGE
Ledger	* List - Text County of Stanislaus	DO NOT CHANGE
Budget	List - Text LEGAL BUDGET	DO NOT CHANGE
Category	* List - Text Budget - Upload	DO NOT CHANGE
Source	* List - Text PL DM	
Currency	* List - Text USD	DO NOT CHANGE
Period	List - Text Feb-18	ENTER AS MMM-YY (ALL CAPS FOR MMM) EX: NOV-11
Batch Name	Text PL DM 02/05/18 01	
Journal Name	Text PL DM JV2843 02/05/18	
Journal Description	Text Appropriation Transfer NSP 1 Accounts	
Journal Reference	Text	
Organization	List - Text Stanislaus Budget Org	DO NOT CHANGE
Chart Of Accounts	Accounting Flexfield	DO NOT CHANGE

[illegible]

Totals:

Tip: This is not the end of the Template. Unprotect the sheet and insert as many rows as needed

Explanation: To adjust NSP 1 budget items to facilitate Housing Authority transaction.				
Requesting Department		CEO	Data Entry	Auditors Office Only
Denny Marshall	Patrick Cavanah			Melody Bughi
Prepared by	Supervisor's Approval	Keyed by	Prepared By	Approved By
2/15/2018	2/15/2018			2/15/2018
Date	Date	Date	Date	Date

Recording Requested By  
And When Recorded Return To:

Stanislaus County  
Planning and Community  
Development Department  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354

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APN's: 064-025-032 and 064-025-018

NSP GRANT AGREEMENT  
FOR THE  
OAK LEAF MEADOWS AFFORDABLE HOUSING PROJECT  
1135 EAST J STREET AND 636 PEDERSON ROAD  
OAKDALE, CALIFORNIA

Between

Stanislaus County

and

The Housing Authority of the County of Stanislaus



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EXHIBIT A: Scope of Services

Attachment 1: Conceptual Site Plan and Elevations

EXHIBIT B: Insurance Requirements for Construction Contracts

NSP GRANT AGREEMENT  
FOR OAK LEAF MEADOWS

This NSP Grant Agreement (the "Agreement") is entered into as of March 29, 2019, (the "Effective Date"), by and between Stanislaus County, a political subdivision of the State of California (the "County"), and the Housing Authority of the County of Stanislaus, a California body corporate and politic ("Grantee"), with reference to the following facts:

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the County and Grantee.

- A. The County, as lead entity for the Stanislaus Urban County, received Neighborhood Stabilization Program 1 ("NSP 1") funds from the United States Department of Housing and Urban Development ("HUD"). Such funds, along with any program income from projects previously funded with NSP funds, must be used by the County in accordance with the Federally adopted NSP Regulations.
- B. The Grantee intends to develop the Oak Leaf Meadows affordable housing project, which will consist of 56 multi-family affordable housing units on 3.29 +/- acres (the "Development"). On-site amenities in the Development include a gathering area, a tot lot, a play area, a 5,000 square foot community center and a day car/head start facility and a property manager unit. The intent of the Development is to provide housing that is affordable to households that earn at or below 55% of the area median income (AMI), as adjusted annually by HUD. NSP units would be affordable to households that earn at or below 50% of the AMI. Housing units will be maintained by the Grantee as affordable rental units for 55 years from the date of first occupancy. The Development site is located on two parcels at 1135 East J Street and 636 Pederson Road in Oakdale, California (Assessor's Parcel Numbers: 064-025-032 and 064-025-018).
- C. Grantee wishes to accept from the County and the County wishes to extend to Grantee a grant of up to Three Million and Ninety Thousand Dollars (\$3,090,000) (the "Grant"), consisting of program income funds from the NSP Grant allocation to the Stanislaus Urban County, to fund the Development and associated administrative costs incurred between the date of this Agreement and completion of the Development at time of issuance of a final occupancy permit. The Grant will be evidenced by this Agreement and will be subject to the terms and conditions set forth in this Agreement.
- D. The property upon which the Development will be built was acquired by the Grantee, as the County's NSP subcontractor, with NSP funds and deeded to the Grantee with the intent of developing an affordable housing project.
- E. The Grantee and the County wish this agreement to govern the construction, operation and maintenance of the Development, including, but not limited to, the 55-year affordability of the Development.
- F. The Grantee wishes to enter into a separate Agreement with Oak Leaf Meadows LP, who will provide construction and property management services. The Oak Leaf Meadows LP is a multi-family affordable rental housing partnership between Visionary Home

Builders of California (VHBC)'s LLC, VHB Oak Leaf Meadows LLC and Great Valley Housing Development Corporation (GVHDC)'s LLC, Oak Leaf Meadows LLC. Oakleaf Meadows LLC may become the sole owner following the 15 year TCAC compliance period. Defined terms used but not defined in these recitals are as defined in Article 1 of this Agreement.

NOW, THEREFORE, the Parties agree as follows:

## ARTICLE 1. DEFINITIONS AND EXHIBITS

### Section 1.1 Definitions.

The following capitalized terms have the meanings set forth in this Section 1.1 wherever used in this Agreement, unless otherwise provided:

- (a) "Agreement" shall mean this NSP Grant Agreement.
- (b) "Area Median Income" shall mean the median family income in Stanislaus County, as annually estimated by HUD pursuant to Section 8 of the United States Housing Act of 1937 (California Health and Safety Code Section 50093). In the event such income determinations are no longer published by HUD, or are not updated for a period of at least twenty four (24) months, the County shall provide Grantee with other income determinations which are reasonably similar with respect to the method of calculation previously published by HUD.
- (c) "CDBG Regulations" means the regulations issued by HUD at 24 C.F.R. 570 et seq., for the Community Development Block Grant Program pursuant to Title I of the Housing and Community Development Act of 1974, as amended and subordinate to NSP regulations.
- (d) "County" shall mean the Stanislaus County, a political subdivision of the State of California.
- (e) "Default" shall have the meaning set forth in Section 5.1 below.
- (f) "Development" has the meaning set forth in Paragraph B of the Recitals.
- (g) "Grant" shall mean the County grant to Grantee of the NSP Grant Funds pursuant to this Agreement.
- (h) "Grant Funds" shall mean the amount up to Three Million and Ninety Thousand Dollars (\$3,090,000) of Program Income funds from Neighborhood Stabilization Program (NSP1) Grant issued to the Stanislaus County as the "lead entity" of the Stanislaus Urban County in 2009, by the United States Department of Housing and Urban Development (HUD), which the County is granting to the Grantee pursuant to this Agreement.
- (i) "Grantee" shall mean the Housing Authority of the County of Stanislaus, a California body corporate and politic.
- (j) "Hazardous Materials" shall have the meaning set forth in Section 3.7 below.
- (k) "Hazardous Materials Claim" shall have the meaning set forth in Section 3.7 below.



(l) "Hazardous Materials Law" shall have the meaning set forth in Section 3.7 below.

(m) "NSP Regulations" means Section 2301 of Title III, Division B, of the Housing and Economic Recovery Act of 2008, Title XII, Division A, of the American Recovery and Reinvestment Act of 2009, and implementing regulations, including, but not limited to, Title 24 C.F.R Part 570 et seq., and applicable guidance, including, but not limited to, the Notices of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Emergency Assistance for Development of Abandoned and Foreclosed Homes Grantees under HERA and such corrections (including, but not limited to, Docket Nos. FR-5255-N-01, FR-5255-N-02, FR-5321-N-03, FR-5435-N-01, and FR-5447-N-01), as amended.

(n) "Parties" shall mean the County and Grantee.

(o) "Participant" shall mean those persons that have a bonafide and current rental agreement with Grantee and/or with its contractor for a dwelling unit in the Oak Leaf Meadows housing project.

(p) "Term of Construction" shall mean the term of the Grant, commencing on the effective date of this Agreement and continuing until such time as all Grant Funds have been disbursed, but in no event to exceed thirty-six (36) months from the date of this Agreement.

(q) "Term of Affordability" shall mean the period of time under which NSP assisted units (Units) must be provided to households with annual incomes below or at fifty percent (50%) of the area median income, as determined annually by the United States Department of Housing and Urban Development (HUD). NSP assisted housing units are to be maintained under this affordability term for a period of 55 years from the date of this Agreement.

(r) "Units" shall mean fourteen of the Development's 56 housing units designated as NPS assisted units for the purpose of providing housing that is affordable to households with annual incomes below or at 50% area median income (AMI), as defined by HUD.

#### Section 1.2 Exhibits.

The following exhibits are attached to this Agreement and incorporated into this Agreement by this reference:

EXHIBIT A: Scope of Services

(with Attachment 1: Conceptual Site Plan and Elevations)

EXHIBIT B: Insurance Requirements for Construction Contracts

### ARTICLE 2. GRANT PROVISIONS

#### Section 2.1 Grant.

(a) Upon satisfaction of the conditions set forth in Section 2.3 of this Agreement, the County shall grant to the Grantee the Grant in the principal amount not to exceed Three Million and Ninety Thousand Dollars (\$3,090,000) for the purposes set forth in Section 2.2 of this Agreement.

## Section 2.2 Use of Grant Funds.

(a) Grantee shall use Three Million Dollars (\$3,000,000) of the Grant Funds for costs associated with the construction of site improvement for the Development project, including payment of development impact fees and project site improvements costs, and Ninety Thousand Dollars (\$90,000) for administrative costs incurred by the Grantee for construction administration costs incurred between the effective date of this Agreement and issuance of a final occupancy permit for the Development.

(b) The Grantee shall not use the Grant funds for any other purpose without the prior written consent of the County. The Grantee's failure to comply with the requirements of this Section 2.2 shall constitute a Default under Section 5.1 of this Agreement.

## Section 2.3 Conditions Precedent to Disbursement.

County shall not be obligated to make any disbursements of Grant funds or take any other action under the Agreement unless the following conditions are satisfied prior to each such disbursement of the Grant:

(a) There exists no Default nor any act, failure, omission or condition that would constitute an event of Default under this Agreement;

(b) Grantee has executed and delivered to County all documents, instruments, and policies required under this Agreement;

(c) The County has approved an NSP funding budget for the Development, which is hereby incorporated and referenced as Exhibit A – Scope of Services.

(d) The County has approved, through this Agreement, the long-term affordability restrictions that will be applied to the Development for a period of 55 years.

## Section 2.4 Disbursement Schedule.

The County shall disburse the Grant funds to the Grantee on a reimbursement basis in accordance with this Agreement. Reimbursements shall be requested by the Grantee using a Request for Funds format as specified by the County and with support documents as determined to be required by the County. The Grantee will maintain fiduciary responsibility for the use and application of any NSP Program Income from the Development's rental receipts in compliance with HUD promulgated NSP regulations and as allowed for property management under the terms of this agreement.

## Section 2.5 Non-Recourse.

Neither Grantee, nor Grantee's governing board members, supervisors, directors, officers, employees, agents, or successors and assigns shall have any direct or indirect personal liability for payment of the on the Grant.

## Section 2.6 Term of Agreement.

The term of this Agreement shall commence on the Effective date and end upon the completion of the obligations stated herein.

### ARTICLE 3. GRANT REQUIREMENTS

#### Section 3.1 Compliance with Agreement.

Grantee shall comply with the terms of this Agreement and any breach by Grantee under this Agreement shall be considered a Default under this Agreement.

#### Section 3.2 Financial Accountings and Audits.

During the Term, from time to time as reasonably requested by the County, Grantee shall make available for examination during normal business hours to County all books, accounts, reports, files, and other papers or property with respect to all matters covered by this Agreement, and shall permit County to audit, examine, and make excerpts or transcripts from such records. County may make audits of any conditions relating to this Agreement.

#### Section 3.3 Information.

Grantee shall provide any information reasonably requested by the County in connection with the Grant, including (but not limited to) any information required by the State of California or HUD in connection with Grantee's use of the Grant funds.

#### Section 3.4 Records.

(a) Grantee shall keep and maintain at the principal place of business, or where records are kept, of the Grantee set forth in Section 6.8 below, or elsewhere with the County's written consent, full, complete and appropriate books, records and accounts relating to the construction and occupancy of the Development. Books, records and accounts relating to Grantee's compliance with the terms, provisions, covenants and conditions of this Agreement are to be kept and maintained in accordance with generally accepted accounting principles consistently applied, and are to be consistent with requirements of this Agreement. All such books, records, and accounts are to be open to and available for inspection and copying by HUD, the County, its auditors or other authorized representatives at reasonable intervals during normal business hours. Copies of all tax returns and other reports that Grantee may be required to furnish to any governmental agency are to be open for inspection by the County at all reasonable times at the place that the books, records and accounts of Grantee are kept. Grantee shall preserve such records for a period of not less than five (5) years from the date the project is finalized or completed in compliance with all HUD records and accounting requirements including. The retention period for all construction, operation and maintenance records are to be maintained for a period of five years beyond the term of affordability in accordance with HUD regulations. If any litigation, claim, negotiation, audit exception, monitoring, inspection or other action relating to the use of the Grant is pending at the end of the record retention period stated herein, then Grantee shall retain the records until such action and all related issues are resolved. The records are to include all invoices, receipts, and other documents related to expenditures from the Grant funds. Grantee shall cause records to be accurate and current and in such a form as to allow the County to comply with the record keeping requirements contained in 24 C.F.R. 570.506 and the NSP Regulations. Such records are to include, but are not limited to:

- (1) Records providing a full description of the activities undertaken with the use of the Grant funds;

(2) Records demonstrating the eligibility of activities under the NSP Regulations and that the use of the NSP Funds meets one of the national objectives of the NSP program set forth in the NSP Regulations;

(3) Records demonstrating compliance with HUD property standards and lead-based paint requirements;

(4) Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG and NSP assistance;

(5) Records documenting compliance with the fair housing and equal opportunity and affirmative marketing requirements of the CDBG and NSP programs;

(6) Records documenting compliance with the changes in use restrictions specified in 24 C.F.R Part 570.505 – Use of Real Property (for any properties that are retained);

(7) Records as required by 24 C.F.R Part 570.502 - Applicability of uniform administrative requirements and 570.504 – Program Income, 24 C.F.R 84.21-28 – Uniform Administrative Requirements for Grants, Financial and Program Management and OMB Circular A-110 (24 C.F.R Part 84) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards: Conforming Amendments;

(8) Records demonstrating compliance with local hiring and MBE/WBE requirements;

(9) Records demonstrating compliance with HUD Section 3 requirements;

(10) Records demonstrating compliance with labor requirements, including certified payrolls from Grantee's general contractor evidencing that applicable prevailing wages have been paid.

(11) Other records necessary to document compliance with Subpart K of 24 C.F.R 570.600-.614 – Other Program Requirements and the NSP Regulations.

(12) HUD approved records and documentation demonstrating that affordability requirements are being met. NSP assisted units are to be rented to Participant households with annual incomes below or at 50% of the area median income, as adjusted annually by HUD.

(b) Grantee shall retain all financial records, supporting documents, statistical records, expenditures, and all other records pertinent to the Term of Construction and the Term of Affordability incurred under this Agreement for a period of five (5) years after the termination of respective activities funded under this Agreement, or after the resolution of all litigation, claims, Federal audits, negotiation or other actions that involve any of the records cited, whichever occurs later.

(c) The County shall notify Grantee of any records it deems insufficient. Grantee has fifteen (15) calendar days after the receipt of such a notice to correct any deficiency in the records specified by the County in such notice, or if a period longer than fifteen (15) days is reasonably necessary to correct the deficiency, then Grantee must begin to correct the deficiency within fifteen (15) days and correct the deficiency as soon as reasonably possible.

(d) The Grantee hereby agrees to impose the restrictions contained in this Section 3.4 to any loan or grant agreement between the Grantee and the Oak Leaf Meadows LP, or an affiliate thereof.

#### Section 3.5 County Audits.

(a) Each year, Grantee shall make available to the County a copy of Grantee's annual audit, which is to include information on all of Grantee's activities and not just those pertaining to the Development. Grantee shall also follow audit requirements of the Single Audit Act and OMB Circulars A-122 and 110.

(b) In addition, the County may, at any time, audit all of Grantee's books, records, and accounts pertaining to the Development. Any such audit is to be conducted during normal business hours at the principal place of business of Grantee wherever records are kept. Within thirty days after the completion of an audit, the County shall deliver a copy of the results of the audit to Grantee.

#### Section 3.6 NSP and CDBG Requirements.

(a) Grantee shall comply with all applicable laws and regulations governing the use of the Grant funds as set forth in all applicable CDBG Regulations and NSP Regulations. In the event of any conflict between this Agreement and applicable laws and regulations governing the use of the Grant funds, the applicable laws and regulations will govern.

(b) The laws and regulations governing the use of the Grant funds include (but are not limited to) the following:

(c) Environmental Review Procedures. 24 C.F.R. Part 58, which prescribes procedures for compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321-4361), and the additional laws and authorities listed at 24 C.F.R. 58.5.

(d) Applicability of OMB Circulars. The applicable policies, guidelines, and requirements of OMB Circulars Nos. A-87, A-102, Revised, A-110, A-122, and A-133.

(e) Debarred, Suspended or Ineligible Contractors. The prohibition on the use of debarred, suspended, or ineligible contractors set forth in 24 C.F.R. Part 24.

#### (1) Civil Rights, Housing and Community Development, and Age Discrimination Acts.

(A) Compliance. The Fair Housing Act (42 U.S.C. 3601 *et seq.*) and implementing regulations at 24 C.F.R. Part 100; Title VI of the Civil Rights Act of 1964 as amended; Title VIII of the Civil Rights Act of 1968 as amended; Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended; Section 504 of the Rehabilitation Act of 1973 (29 USC 794, *et seq.*); the Age

Discrimination Act of 1975 (42 USC 6101, et seq.); Executive Order 11063 as amended by Executive Order 12259 and implementing regulations at 24 C.F.R. Part 107; Executive Order 11246 as amended by Executive Orders 11375, 12086, 11478, 12107; Executive Order 11625 as amended by Executive Order 12007; Executive Order 12432; Executive Order 12138 as amended by Executive Order 12608.

(B) Equal Opportunity. Grantee shall comply with the non-discrimination in employment and contracting opportunities laws, regulations and executive orders referenced in 24 C.F.R. 570.607, as revised by Executive Order 13279, and the applicable non-discrimination provisions in Section 109 of the Housing and Community Development Act of 1974, and may not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability, age, marital status, or status with regard to public assistance. Grantee shall take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Grantee shall post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

(2) Land Covenants. This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 C.F.R. 570.601. In regard to the sale, lease, or other Transfer of land acquired, cleared or improved with assistance provided under this Agreement, Grantee shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that County and the United States are beneficiaries of and entitled to enforce such covenants. Grantee, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.

(3) Lead-Based Paint. If applicable, the requirement of the Lead-Based Paint Poisoning Prevention Act, as amended (42 U.S.C. 4821 et seq.), the Residential Lead-Based Paint Hazard Reduction Act (42 U.S.C. 4851 et seq.), and implementing regulations at 24 C.F.R. Part 35.

(4) Clean Air and Water Acts. The Clean Air Act, as amended, 42 U.S.C. 7401 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq., and the regulations of the Environmental Protection County with respect thereto, at 40 C.F.R. Part 1500, as amended from time to time.

(5) Uniform Administrative Requirements – CDBG and NSP. If applicable, the requirements of applicable sections of 24 C.F.R. Part 85, as

amended from time to time, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" and 24 C.F.R. 570.502 regarding cost and auditing requirements.

(6) Training Opportunities. The requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u ("Section 3"), requiring that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and agreements for work in connection with the project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the areas of the project. Grantee agrees to include the following language in all subcontracts executed under this Agreement:

(A) The work to be performed under this contract is subject to the requirements of Section 3. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(B) The parties to this contract agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

(C) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause; and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference; will set forth minimum number and job titles subject to hire; availability of apprenticeship and training positions; the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

(D) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 135.

(E) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the

contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. Part 135.

(f) Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

(1) With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) ("Section 7(b)") also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

(2) Labor Standards. If applicable, Grantee shall comply with the Copeland "Anti-Kickback" Act (40 U.S.C. 276(c)), which requires that workers be paid at least once a week without any deductions or rebates except permissible deductions; the Contract Work Hours and Safety Standards Act - CWHSSA (40 U.S.C. 3701-3708) which requires that workers receive "overtime" compensation at a rate of 1-1/2 times their regular hourly wage after they have worked forty (40) hours in one (1) week; and Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 are the regulations and procedures issued by the Secretary of Labor for the administration and enforcement of the Davis-Bacon Act, as amended.

(3) Drug Free Workplace. The requirements of the Drug Free Workplace Act of 1988 (P.L. 100-690) and implementing regulations at 24 C.F.R. Part 24.

(4) Flood Disaster Protection. This Agreement is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). No portion of the assistance provided under this Agreement is approved for acquisition or construction purposes as defined under Section 3(a) of said Act, for use in an area identified by HUD as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the national flood insurance program pursuant to Section 201(d) of said Act. The use of any assistance provided under this Agreement for such acquisition or construction in such identified areas in communities then participating in the national flood insurance program is subject to the mandatory purchase of flood insurance requirements of Section 102(a) of said Act. Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement is to contain certain provisions. These provisions will apply if such land is located in an area identified by HUD as



having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq. These provisions obligate the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under Section 102(s) of the Flood Disaster Protection Act of 1973.

(5) Procurement.

(A) Compliance. County has the right to require Grantee to comply with any or all current County policies concerning the purchase of equipment and shall maintain an inventory record of all non-expendable personal property (as defined by County policy) as may be procured with funds provided herein. All Property assets (unexpended program income, property, equipment, etc.) shall revert to County upon termination of this Agreement.

(B) OMB Standards. Grantee shall procure materials in accordance with the requirements of 24 C.F.R. 84.40-48 and the procurement standards set forth in OMB Circular A-110, and shall subsequently follow the property standards, covering utilization and disposal of property, set forth in OMB Circular A-110.

(C) National Objectives. Grantee shall maintain documentation that demonstrates that the activities carried out with funds provided under this Agreement meet the Low, Moderate, and Middle-Income Housing (LMMH) national objective under the NSP and applied on residential housing units that are rented to households at or below 50% AMI in accordance with 24 CFR 5.233 and HUD administrative guidelines.

(D) Hatch Act. Grantee agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of 5 U.S.C. 15.

(E) Section 2304 Requirements. Grantee shall comply with Section 2304 of the Act, which states that no NSP funds may be distributed to (a) an organization that has been indicted for a violation under federal law relating to an election for federal office; or (b) an organization that employs Applicable Individuals. An "Applicable Individual" means an individual who has been indicted for a violation under federal law relating to an election for federal office and is (a) employed by the organization in a permanent or temporary capacity or is contracted or retained by the organization; or (b) acting on behalf of, or with the express or apparent authority of the organization.

(F) Recovery of Capital Costs. Grantee shall not attempt to recover any capital costs of public improvements assisted with CDBG or NSP funds, including Section 108 loan guaranteed funds, by assessing any

amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

(G) Religious Organization. Grantee agrees that funds provided under this Agreement will not be utilized for religious activities; to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 C.F.R. 570.200(j).

(H) HUD Regulations. Grantee agrees to comply with any other applicable HUD regulations in their current form or as may be amended, added, or waived in the future that are applicable to Grantee or the Grant.

### Section 3.7 Hazardous Materials.

(a) To the extent applicable, the Grantee shall keep and maintain the Development in compliance with, and shall not cause or permit the Development to be in violation of any federal, state, or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions on, under or about the Development including, but not limited to, soil and ground water conditions. Grantee shall not (and Grantee shall not permit any Participant to) use, generate, manufacture, store or dispose of on, under, or about the Development or transport to or from the Development any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including without limitation, any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under any applicable federal or state laws or regulations (collectively referred to hereinafter as "Hazardous Materials") except such of the foregoing as may be customarily kept and used in and about residential property of this type.

(b) Grantee shall immediately advise the County in writing if at any time it receives written notice of: (1) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened against Grantee or the Development pursuant to any applicable federal, state or local laws, ordinances, or regulations relating to any Hazardous Materials, ("Hazardous Materials Law"); (2) all claims made or threatened by any third party against Grantee or the Development relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (1) and (2) above are hereinafter referred to as "Hazardous Materials Claims"); and (3) Grantee's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Development that could cause the Development or any part thereof to be classified as "border-zone property" under the provision of California Health and Safety Code, Sections 25220 et seq. or any regulation adopted in accordance therewith, or to be otherwise subject to any restrictions on the ownership, occupancy, transferability or use of the Development under any Hazardous Materials Law.

(c) The County shall have the right to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Hazardous Materials Claims and to have its reasonable attorneys' fees in connection therewith paid by Grantee. Grantee shall indemnify and hold harmless the County and its supervisors, directors, officers, employees, agents, successors and assigns from and against any loss, damage, cost, expense or

liability directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence of Hazardous Materials on, under, or about the Development including without limitation: (a) all foreseeable consequential damages (but only with respect to consequential damages related to Hazardous Materials present on the Development due to actions or inactions of Grantee); (b) the costs of any required or necessary repair, cleanup or detoxification of the Development and the preparation and implementation of any closure, remedial or other required plans; and (c) all reasonable costs and expenses incurred by the County in connection with clauses (a) and (b), including but not limited to reasonable attorneys' fees. This obligation to indemnify shall survive termination of this Agreement.

(d) Without the County's prior written consent, which shall not be unreasonably withheld, Grantee shall not take any remedial action in response to the presence of any Hazardous Materials on, under or about the Development, nor enter into any settlement agreement, consent decree, or other compromise in respect to any Hazardous Material Claims; provided, however, that the County's prior consent shall not be necessary in the event that the presence of Hazardous Materials on, under, or about the Development either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not reasonably possible to obtain the County's consent before taking such action, provided that in such event Grantee shall notify the County as soon as practicable of any action so taken. The County agrees not to withhold its consent, where such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction, (ii) Grantee will or may be subjected to civil or criminal sanctions or penalties if it fails to take a required action; (iii) or the action has been agreed to by the County.

(e) Grantee hereby acknowledges and agrees that: (1) this Section is intended as the County's written request for information (and Grantee's response) concerning the environmental condition of the Development as required by California Code of Civil Procedure Section 726.5, and (2) each representation and warranty in this Agreement (together with any indemnity obligation applicable to a breach of any such representation and warranty) with respect to the environmental condition of the Property is intended by the Parties to be an "environmental provision" for purposes of California Code of Civil Procedure Section 736.

#### Section 3.8 Fees and Taxes.

Grantee shall be solely responsible for payment of all fees, assessments, taxes, charges, and levies imposed by any public authority or utility company with respect to the Development to the extent owned by Grantee, and shall pay such charges prior to delinquency. However, Grantee shall not be required to pay and discharge any such charge so long as (a) the legality thereof is being contested diligently and in good faith and by appropriate proceedings.

#### Section 3.9 Notice of Litigation.

Grantee shall promptly notify the County in writing of any litigation materially affecting Grantee or the Development and of any claims or disputes that involve a material risk of such litigation.

#### Section 3.10 Nondiscrimination.

Grantee covenants by and for itself and its successors and assigns that there will be no discrimination against or segregation of a person or of a group of persons on account of race, color, religion, creed, age (except for lawful senior housing in accordance with state and federal

law), familial status, disability, sex, sexual orientation, marital status, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor may Grantee or any person claiming under or through Grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Property.

#### Section 3.11 Transfer.

(a) This Agreement is entered into solely for the purpose of funding affordable housing at the Development and its subsequent use in accordance with the terms hereof. The Grantee recognizes that the qualifications and identity of Grantee are of particular concern to the County. The Grantee further recognizes that it is because of such qualifications and identity that the County is entering into this Agreement with the Grantee and that limited Transfers are permitted only as provided in this Agreement.

(b) For purposes of this Agreement, "Transfer" shall mean any sale, assignment, or transfer, whether voluntary or involuntary, of: (1) any rights and/or duties under this Agreement; or (2) any interest in the Grantee, including any merger, consolidations, sale, or lease of all or substantially all of the assets of Grantee. The term "Transfer" shall exclude the leasing of any single Apartment Unit to a Participant in accordance with this Agreement.

(c) No unauthorized transfer shall be permitted during the Term of Affordability. Any unauthorized Transfer or breach of Grant Agreement shall automatically cancel the County's funding contribution, obligating the Grantee to repay all of the funding contributed by the County. Transfers shall only be authorized if approved by the County in writing and shall impose the remaining Term of Affordability onto the next owner. The County's review of the transfer shall include, but not be limited, to a determination that the new owner has the experience and capacity to successfully uphold the full terms of the agreement.

#### Section 3.12 Insurance Requirements.

Coverage Required: During construction and management of Oak Leaf Meadows as identified in Exhibit B, Contractor shall obtain insurance coverage in the amounts and coverage specified in the attached "Exhibit B". Contractor shall ensure that any General Contractor procures and maintains an occurrence-based insurance policy against claims for injuries to person or damage to property which may arise from or in connection with the performance of the construction work and for a period of three years after completion of construction. Contractor shall ensure that the County is an additional insured on a primary basis on the contractor and his subcontractor's insurance policy. Once constructed, the Contractor shall obtain and maintain insurance coverage, for Oak Leaf Meadows during the term of this agreement. County acknowledges that Contractor is self-insured under the California Government Code through a HUD approved and California listed Risk Sharing Pools known as Housing Authority Risk Retention Pool (HARRP) and California Housing Worker's Compensation Authority (CHWCA).

Section 3.13 Anti-Lobbying Certification. Grantee certifies, to the best of Grantee's knowledge or belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 the

awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan or grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

(2) 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 the awarding of any Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(b) This certification is a material representation of fact upon which reliance was placed when this Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Agreement imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than Ten Thousand Dollars (\$10,000) and no more than One Hundred Thousand Dollars (\$100,000) for such failure.

#### ARTICLE 4. REPRESENTATIONS AND WARRANTIES OF GRANTEE

Section 4.1 Representations and Warranties. Grantee hereby represents and warrants to the County as follows:

(a) Organization. Grantee is a duly organized, validly existing California Housing Authority and has the power and authority to own its property and carry on its business as now being conducted.

(b) Authority of Grantee. Grantee has full power and authority to execute and deliver this Agreement and to make and accept the borrowings contemplated hereunder, and to perform and observe the terms and provisions of all of the Agreement.

(c) Authority of Persons Executing Documents. This Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Grantee, and all actions required under Grantee's organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement and all other documents or instruments executed and delivered, or to be executed and delivered, pursuant to this Agreement, have been duly taken.

(d) Valid Binding Agreements. This Agreement and all other documents or instruments which have been executed and delivered pursuant to or in connection with this Agreement constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of Grantee enforceable against it in accordance with their respective terms.

(e) No Breach of Law or Agreement. Neither the execution nor delivery of this Agreement or of any other documents or instruments executed and delivered, or to be executed or delivered, pursuant to this Agreement, nor the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any

statute, rule or regulation; or any judgment, decree or order of any court, board, commission or agency whatsoever binding on Grantee, or any provision of the organizational documents of Grantee, or will conflict with or constitute a breach of or a default under any agreement to which Grantee is a party, or will result in the creation or imposition of any lien upon any assets or property of Grantee, other than liens established pursuant hereto.

#### ARTICLE 5. DEFAULT AND REMEDIES

Section 5.1 Events of Default. Each of the following shall constitute a "Default" by Grantee under this Agreement:

(a) Breach of Covenants. Failure by Grantee to duly perform, comply with, or observe any of the conditions, terms, or covenants of this Agreement, and such failure having continued uncured for thirty (30) days after receipt of written notice thereof from the County to the Grantee, or if the breach cannot be cured within thirty (30) days, the Grantee shall not be in breach so long as Grantee is diligently undertaking to cure such breach and such breach is cured within ninety (90) days; provided, however, that if a different period or notice requirement is specified under any other section of this Article 6, the specific provisions shall control.

(b) Insolvency. A court having jurisdiction shall have made or entered any decree or order: (1) adjudging Grantee to be bankrupt or insolvent; (2) approving as properly filed a petition seeking reorganization of Grantee or seeking any arrangement for Grantee under the bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction; (3) appointing a receiver, trustee, liquidator, or assignee of Grantee in bankruptcy or insolvency or for any of their properties; or (4) directing the winding up or liquidation of Grantee if any such decree or order described in clauses (1) to (4), inclusive, shall have continued unstayed or undischarged for a period of ninety (90) days; or Grantee shall have admitted in writing its inability to pay its debts as they fall due or shall have voluntarily submitted to or filed a petition seeking any decree or order of the nature described in clauses (1) to (4), inclusive.

(c) Assignment; Attachment. Grantee shall have assigned its assets for the benefit of its creditors or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within ninety (90) days after such event or, if sooner, prior to sale pursuant to such sequestration, attachment, or execution.

(d) Suspension; Termination. Grantee shall have voluntarily suspended its business.

(e) Unauthorized Transfer. Any Transfer other than as permitted by Section 3.11. Representation or Warranty Incorrect. Any Grantee representation or warranty contained in this Agreement, or in any application, financial statement, certificate, or report submitted to the County in connection with this Agreement, proving to have been incorrect in any material respect when made and having a material adverse effect on the Development.

Section 5.2 Remedies. The occurrence of any Default hereunder following the expiration of all applicable notice and cure periods will, either at the option of the County or automatically where so specified, relieve the County of any obligation to make or continue the Grant and shall give the County the right to proceed with any and all remedies in law or equity, including suit for recovery of any Grant funds which Grantee has not utilized in compliance with this Agreement.

Section 5.3 Right of Contest. Grantee shall have the right to contest in good faith any claim, demand, levy, or assessment the assertion of which would constitute a Default hereunder. Any such contest shall be prosecuted diligently and in a manner unprejudicial to the County or the rights of the County hereunder.

Section 5.4 Remedies Cumulative. No right, power, or remedy given to the County by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given to the County by the terms of any such instrument, or by any statute or otherwise against Grantee and any other person. Neither the failure nor any delay on the part of the County to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by the County of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

## ARTICLE 6. GENERAL PROVISIONS

### Section 6.1 Relationship of Parties.

Nothing contained in this Agreement shall be interpreted or understood by any of the Parties, or by any third persons, as creating the relationship of employer and employee, principal and agent, limited or general partnership, or joint venture between the County and Grantee or its agents, employees or contractors, and Grantee shall at all times be deemed an independent contractor and shall be wholly responsible for the manner in which it or its agents, or both, perform the services required of it by the terms of this Agreement. Grantee has and retains the right to exercise full control of employment, direction, compensation, and discharge of all persons assisting in the performance of services under the Agreement. Grantee shall be solely responsible for all matters relating to payment of its employees, including compliance with Social Security, withholding, and all other laws and regulations governing such matters, and shall include requirements in each contract that contractors shall be solely responsible for similar matters relating to their employees. Grantee shall be solely responsible for its own acts and those of its agents and employees.

Section 6.2 No Claims.

Nothing contained in this Agreement shall create or justify any claim against the County by any person that Grantee may have employed or with whom Grantee may have contracted relative to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the operation of the Development and Grantee shall include similar requirements in any contracts entered into for the operation of the Development.

Section 6.3 Amendments.

No alteration or variation of the terms of this Agreement shall be valid unless made in writing and executed by both Parties.

Section 6.4 Indemnification.

The Grantee shall indemnify, defend (with counsel reasonably acceptable to the County) and hold the County harmless against all claims made against it and expenses (including reasonable attorneys' fees) which arise out of or in connection with this Agreement, except to the extent such claim arises from the grossly negligent or willful misconduct of the County, its agents, and its employees. The provisions of this Section 6.4 shall survive the expiration of the Term.

Section 6.5 Non-Liability of County Officials, Employees and Agents.

No member, official, employee or agent of the County shall be personally liable to Grantee in the event of any default or breach by the County or for any amount which may become due to Grantee or its successor or on any obligation under the terms of this Agreement.

Section 6.6 No Third Party Beneficiaries.

There shall be no third party beneficiaries to this Agreement.

Section 6.7 Conflict of Interest.

(a) Except for approved eligible administrative or personnel costs, no person described in Section 6.7(b) below who exercises or has exercised any functions or responsibilities with respect to the activities funded pursuant to this Agreement or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during, or at any time after, such person's tenure. Grantee shall exercise due diligence to ensure that the prohibition in this Section 6.7(a) is followed.

(b) The conflict of interest provisions of Section 6.7(a) above apply to any person who is an employee, agent, consultant, officer, or any immediate family member of such person, or any elected or appointed official of the County, or any person related within the third (3rd) degree of such person.

(c) In accordance with California Government Code Section 1090 and the Political Reform Act, California Government Code section 87100 et. seq., no person who is a director, officer, partner, trustee or employee or consultant of Grantee, or immediate family member of any of the preceding, may make or participate in a decision, made by the County or a



County board, commission or committee, if it is reasonably foreseeable that the decision will have a material effect on any source of income, investment or interest in real property of that person or Grantee. Interpretation of this section is governed by the definitions and provisions used in the Political Reform Act, California Government Code Section 87100 et seq., its implementing regulations manual and codes, and California Government Code Section 1090.

(d) Grantee shall comply with the conflict of interest provisions set forth in 24 C.F.R. 84.42 and 24 C.F.R. 570.611.

Section 6.8 Notices, Demands and Communications.

Formal notices, demands, and communications between the Parties shall be sufficiently given if and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by express delivery service, return receipt requested, or delivered personally, to the principal office of the Parties as follows:

County:

Planning and Community Development Department, Director  
County of Stanislaus  
1010 10th Street, Suite 3400  
Modesto, CA 95354

Grantee:

Housing Authority of the County Stanislaus, Executive Director  
1701 Robertson Road  
Modesto, CA 95354

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by mail as provided in this Section. Receipt shall be deemed to have occurred on the date shown on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable).

Section 6.9 Applicable Law.

This Agreement shall be governed by the laws of the State of California.

Section 6.10 Parties Bound.

Except as otherwise limited herein, the provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their heirs, executors, administrators, legal representatives, successors, and assigns.

Section 6.11 Attorneys' Fees.

If any lawsuit is commenced to enforce any of the terms of this Agreement, the prevailing Party will have the right to recover its reasonable attorneys' fees and costs of suit from the other Party.

Section 6.12 Severability.

If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such

invalidation, voiding or unenforceability. The Parties to this Agreement, and their counsel, have read and reviewed this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (including, but not limited to, Civil Code Section 1654) shall not apply to this Agreement.

#### Section 6.13 Force Majeure.

In addition to specific provisions of this Agreement, performance by either Party shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; or court order; or any other similar causes beyond the control or without the fault of the Party claiming an extension of time to perform. An extension of time for any cause will be deemed granted if notice by the Party claiming such extension is sent to the other within ten (10) days from the commencement of the cause and such extension of time is not rejected in writing by the other Party within ten (10) days of receipt of the notice. In no event shall the County be required to agree to cumulative delays in excess of one hundred eighty (180) days.

#### Section 6.14 County Approval.

Whenever this Agreement calls for County approval, consent, or waiver, the written approval, consent, or waiver of the County Director of Planning and Community Development Department shall constitute the approval, consent, or waiver of the County, without further authorization required from the County Board of Supervisors. The County hereby authorizes the Director of Planning and Community Development Department, or the designee of the Director of Planning and Community Development Department, to deliver such approvals or consents as are required by this Agreement, or to waive requirements under this Agreement, on behalf of the County. Any consents or approvals required under this Agreement shall not be unreasonably withheld or made, except where it is specifically provided that a sole discretion standard applies. The County Director of Planning and Community Development Department, or the designee of the County Director of Planning and Community Development Department, is also hereby authorized to approve, on behalf of the County, requests by Grantee for reasonable extensions of time deadlines set forth in this Agreement. The County shall not unreasonably delay in reviewing and approving or disapproving any proposal by Grantee made in connection with this Agreement.

#### Section 6.15 Waivers.

Any waiver by the County of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the County to take action on any breach or default of Grantee or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to Grantee to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by the County to any act or omission by Grantee shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the County's written consent to future waivers.

Section 6.16 Title of Parts and Sections.

Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of the Agreement's provisions.

Section 6.17 Entire Understanding of the Parties.

This Agreement constitutes the entire understanding and agreement of the Parties with respect to the Grant.


Section 6.18 Multiple Originals; Counterparts.

This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts, and all of which taken together shall constitute this Agreement.




IN WITNESS WHEREOF, the parties or their duly authorized representatives have executed this Agreement on the day and year first hereinabove written.

**County of Stanislaus  
Planning and Community Development**

By:   
Angela Freitas  
Director

"County"

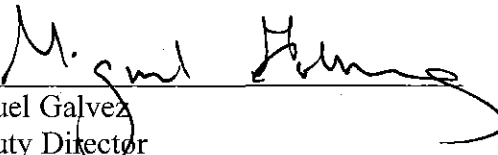
**Housing Authority of the County of Stanislaus**

By:   
Barbara Kauss  
Executive Director

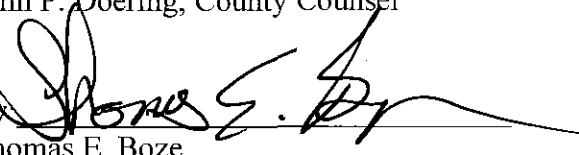
"Grantee"

APPROVED:  
BOS Resolution # 2018-0106

APPROVED AS TO CONTENT:  
Planning and Community Development Department

By:   
Miguel Galvez  
Deputy Director

APPROVED AS TO FORM:  
John P. Doering, County Counsel

By:   
Thomas E. Boze  
Assistant County Counsel



Enclosed:

Exhibit A – Scope of Services – Oak Leaf Meadows

Attachment 1: Conceptual Site Plan and Elevations

Exhibit B – Insurance Requirements for Construction Contracts

## EXHIBIT A

### SCOPE OF SERVICES

#### Stanislaus Urban County's Neighborhood Stabilization Program (NSP1) Multi-family Affordable Housing Project (Oak Leaf Meadows)

1. **GENERAL SCOPE OF SERVICE:** The Oak Leaf Meadows Project is a multi-family affordable rental housing partnership between Housing Authority of the County of Stanislaus ("Grantee"), Visionary Home Builders of California (VHBC), and Great Valley Housing Development Corporation (GVHDC). The project site is located at 1135 E. J Street in Oakdale, California. The project will consist of 56 multi-family affordable housing units, consisting of two and three-bedroom housing units on a 3.29+/- acre vacant site which was acquired by the Grantee with NSP1 funds and is held in ownership by the Grantee. On-site amenities in the project include a gathering area, a tot lot, a play area, a 5,000 square foot community center, and a day care/head start facility. (See Attachment 1, Conceptual Site Plan and Elevations).

At construction completion, the total project budget is estimated to be \$22.0 million, which includes acquisition, design, construction and financing costs of the 56 units, along with off-site improvements. The Grantee will use \$19.0 million dollars funding from the State of California low-income housing tax credit incentive program. Stanislaus Urban County ("County") has allocated \$3.0 million in NSP funds for construction of site improvements and impact fees. In addition, \$90,000 in NSP funds has been allocated to the Grantee for administrative costs associated with construction of the project.

Fourteen of the 56 units will be designated as NSP assisted units (Units), which will provide housing that is affordable to households with annual incomes below or at 50% area median income (AMI), as defined by the United States Department of Housing and Urban Development (HUD). Units will be maintained by the Grantee as affordable rental units for 55 years from the date of first occupancy.

The Units may be transferred to another entity only with the advance written permission of the County, and if such a transfer occurs, the term "Grantee" herein shall apply, as applicable, to any successor owner starting at the time of the transfer.

2. **SERVICES TO BE PROVIDED BY THE GRANTEE:**

#### **CONSTRUCTION:**

- a. Grantee shall take all actions necessary to complete construction of site improvements and allow occupancy of the Oak Leaf Meadows affordable housing project, as described in this Scope of Services and as described in Attachment No.1 - Site Plan, within three years of the execution date of the Agreement for Contract Services between the County and the Grantee.



- i. Grantee shall provide a quarterly progress report to the County outline the status of the project's construction schedule. The quarterly reports shall be in a form approved by the County and shall include a listing of all sub-contractors.
- b. Grantee shall incorporate modern, green building and energy-efficiency improvements through compliance with green building codes and by providing energy star rated appliances and window.

Grantee shall provide documentation such as timecards, invoices, etc. to support the proper expenditure of funds with each request for reimbursement. All NSP funds shall be provided to Grantee as reimbursement and requests for reimbursement shall be made in writing in the form prescribed by the County. Prior to any reimbursement being provide by the County, the Grantee shall demonstrate progress in meeting the construction completion date set forth in section 2.a. of this Scope of Services.

- c. Grantee to prepare and maintain files for all Units. These files shall include all documents and information related to construction of the Units. These files must be retained for five (5) years from the construction completion date. These files shall be current, complete records, including, but not limited to, contracts, supporting documents, accounting transactions, personnel and payroll records, cancelled checks and related documents and records to assure proper accounting of funds and performance of this contract in accordance with the NSP and/or County regulations.

#### **PROPERTY MANAGEMENT:**

- a. Grantee shall be responsible to verify and document the income qualification of all tenants occupying the Oak Leaf Meadows Project. Verification of the fourteen NSP assisted Units shall be provided to the County annually as required by this Scope of Services.
- b. For the fourteen NSP assisted Units, the Grantee shall annually provide a report to the County identifying which Oak Leaf Meadows Project units were set aside to meet the NSP requirements and the household(s) that occupied the NSP Units. The annual report shall be in a form approved by the County and shall be delivered to the County no later than January 31<sup>st</sup> of every year.
  - i. The annual report shall include a Cash Flow Analysis showing all rent monies received and all maintenance costs associated with the NSP Units, including the proportionate share of maintenance costs applicable to each NSP Unit for the maintenance of the entire Oak Leaf Meadows Project.
  - ii. Grantee shall pay the County an administrative fee to cover the actual cost of the County's review of the annual report and compliance monitoring of affordability terms. An administrative fee deposit in an amount equal to no less than five hours of an Accountant II's mid-rate fully burdened weighted labor cost, to be calculated annually by the County, for the review of the annual report and on-going project monitoring shall be paid at the time the annual report is submitted to the County. This annual fee deposit is \$328.70 based on July 1, 2018, weighted labor costs. The County shall refund any unspent administrative fee and invoice the Grantee for any amount in excess

of the administrative fee deposit. Grantee shall provide payment in full for any invoiced amount within 30-days of receipt of invoice.

- iii. Grantee shall retain in a separate trust fund any income above the administrative and maintenance costs of the NSP Units. There is no compensation beyond the revenue collected from the rent and Grantee is responsible for any additional expenses incurred. The balance in the trust fund shall be reported to the County as part of the annual Cash Flow Analysis. Any funds remaining in the trust fund at the conclusion of the 55-year affordability period shall be retained by the Grantee for use in developing new affordable housing units within the Stanislaus Urban County.
  - c. Grantee shall maintain all necessary records and documentation pertaining to NSP Units.
  - d. Grantee shall conduct an annual property inspection to make sure all NSP Units meet Housing Quality Standards (HQS).
  - e. Grantee shall retain all books and records on all NSP Units, including tenant income, rents, and inspection reports and other documents as required by this Scope of Services, until five (5) years after the end of the term of affordability.
  - f. Grantee shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service or benefit provided. Such information shall be made available upon request to County monitors or their designees for review.
  - g. Upon request, Grantee shall make all books, records and documents available for examination, audit, inspection and copying by duly authorized representatives of any public housing agency or authority with regulatory power and/or jurisdiction over the property to the extent required by federal or state law.
  - h. Grantee shall record compliance with the fair housing and equal opportunity requirements of the NSP program, including but not limited to the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the program.
  - i. Grantee agrees to comply with all requirements which are now, or which may hereafter be imposed by HUD for NSP.
  - j. Grantee will be responsible for developing and maintaining applicant screening and tenant eviction protocols and processes in compliance with Federal, State and local laws.
3. **MAXIMUM RENTAL AMOUNT:** The rental amount for NSP-assisted unit may not exceed an amount affordable to a household at 50% AMI as defined by HUD. Maximum rental amounts will be readjusted annually based on the income limits prevailing for the location of the rental housing, which are published by HUD. Grantee will adjust the maximum rental amount within 30 days of publication of new income limits and apply the maximum amount to all homes all new leases executed after that time. To determine the affordable rental amount, Grantee will follow these procedures:

- a. Grantee will identify the income limit for the appropriate household size and maximum allowed percentage of area median income from the HUD income limits.
  - b. The resulting income amount will be multiplied by 30% to represent an affordable housing payment.
  - c. The estimated amounts of the tenant-paid utilities will be deducted from the affordable housing payment amount. The result will be the maximum allowed rent.
4. **PERFORMANCE MONITORING:** The County will monitor the performance of the Grantee based on goals and performance standards as stated above along with all other applicable federal, state and local laws, regulations, and policies governing the funds provided under this contract. Substandard performance as determined by the County will constitute noncompliance with this Agreement. If corrective action is not taken by the Grantee within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated. Grantee agrees to provide HUD, the HUD Office of Inspector General, the General Accounting Office, the County, or the County's internal auditor(s) access to all records related to performance of activities in this agreement.
5. **COMPLETION OF SERVICE:** The Grantee obligation to the County shall not end until HUD completes all close-out requirements for the NSP grant and/or the 55-year term of affordability ends, whichever comes last. Activities required for completion of services shall include but are not limited to making final payments and determining the custodianship of records.
6. **SOURCES AND USES OF FUNDS:** The Grantee shall be compensated in a total amount not to exceed \$3,090,000 in NSP funding (the "maximum contract amount") for the construction and administration costs of the Oak Leaf Meadows project provided under this agreement as follows:

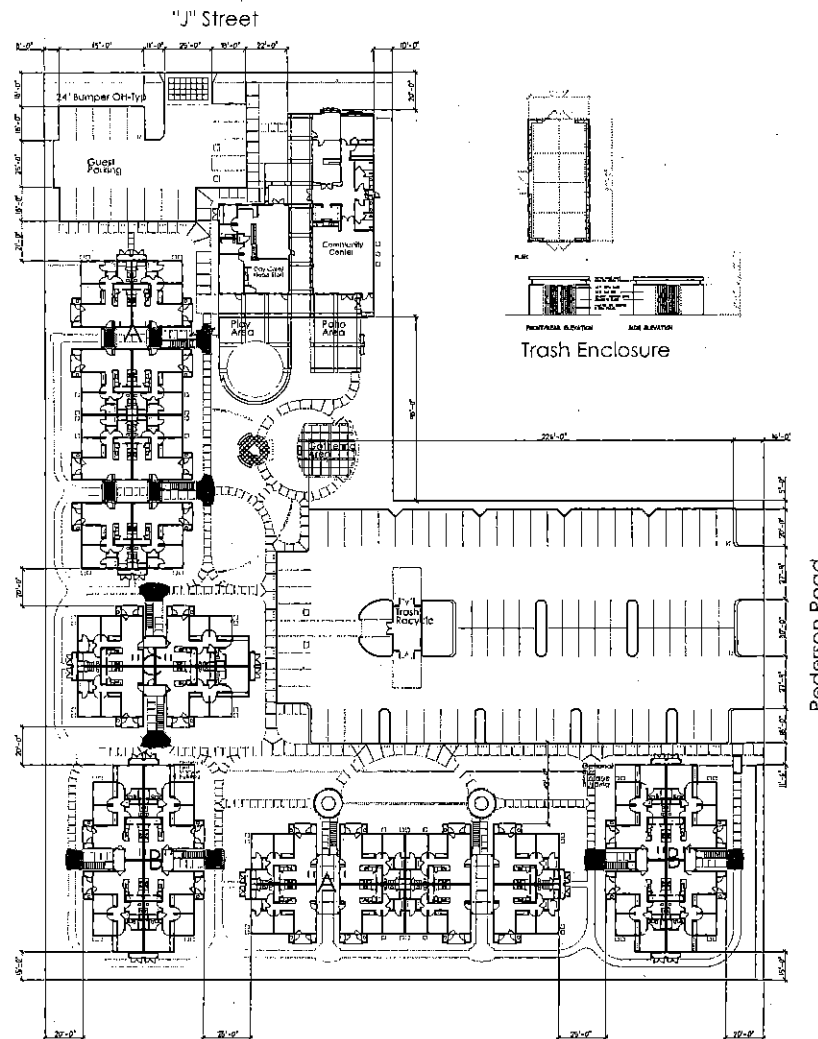
Neighborhood Stabilization Program Income (NSP 1) Sources	Amount
Neighborhood Stabilization Program Income (NSP 1)	\$3,090,000.00
<b>Total</b>	<b>\$3,090,000.00</b>

Neighborhood Stabilization Program Income (NSP 1) Uses	Amount
Oak Leaf Meadows Affordable Housing Project Site Improvements	\$2,050,000.00
Oak Leaf Meadows Affordable Housing Project Impact Fees	\$ 950,000.00
Grantee's Project Administration (Oak Leaf Project)	\$ 90,000.00
<b>Total</b>	<b>\$3,090,000.00</b>



**Attachment 1**  
**Conceptual Site Plan**  
**& Elevations**





## Preliminary Concept Project Data

Estimated Land Area:	3.2 Acres
Current Zoning	R-A Residential
Proposed Zoning	R-3 Multi Family
Estimated Building Area:	
Units	62,442 Sq. Ft.
Community Center	5,073 Sq. Ft.
Estimated Building Area	67,515 Sq. Ft.

Building Coverage:	40,571 SF	29.11%
Parking Coverage:	33,796 SF	24.24%
Landscape Coverage:	65,025 SF	46.65%

Floor Area Ratio: .4844 to 1.00  
Includes Decks/Breezeways  
and Storage Area

Two Bedroom/One Bath-940 SF:	32 Units
Two Bedroom/One Bath-940 SF:	06 Units (with storage)
Three Bedroom/Two Bath-1156 SF:	18 Units
Total Number of Units:	56 Units

Density: 17.5 Du/Ac

Tenant Parking-Open:	87 Units
Guest Parking:	17 Units
Total Number of Parking Spaces:	104 Units
Provided:	1.86 spaces/Unit

Total Number of Parking Spaces: 86 Units  
Required

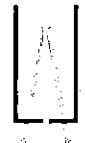
## Concept Site Plan

### Sheet A1

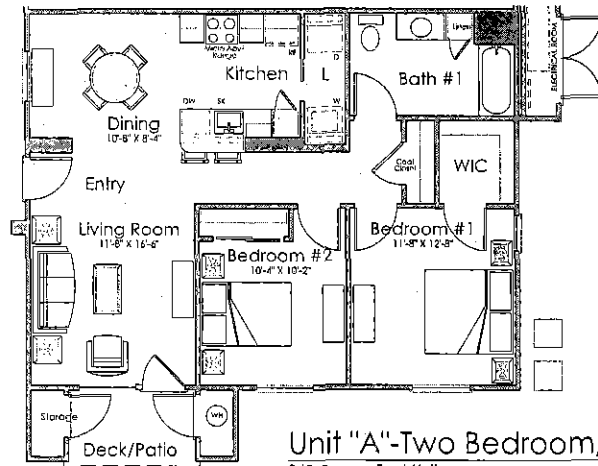
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March 31, 2017



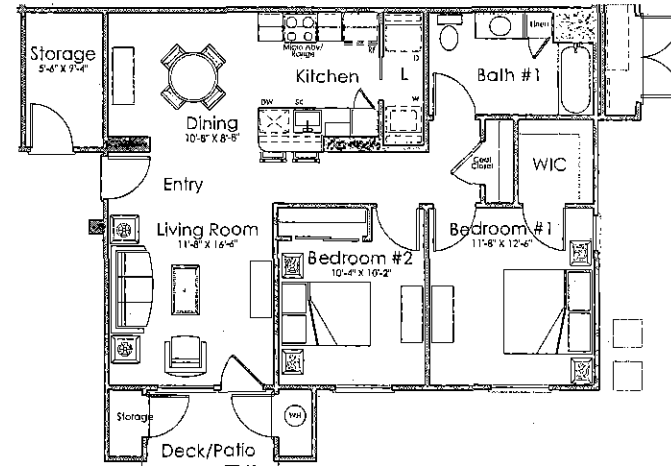
## "J" Street Apartments Oakdale, California



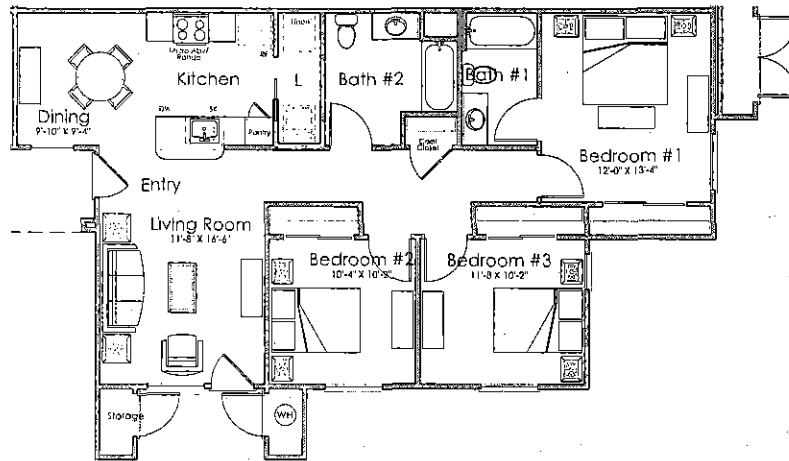
LEE + JAGOE ARCHITECTURE  
INCORPORATED



**Unit "A"-Two Bedroom/One Bath**  
945 Square Feet-Unit  
30 Square Feet-Storage/WH Closet



**Unit "A.1"-Two Bedroom/One Bath**  
945 Square Feet  
91 Square Feet-Storage/WH Closet



**Unit "B"-Three Bedroom/Two Bath**  
1155 Square Feet  
30 Square Feet-Storage/WH Closet

**Concept  
Unit Plans**  
Ground Floor Plans

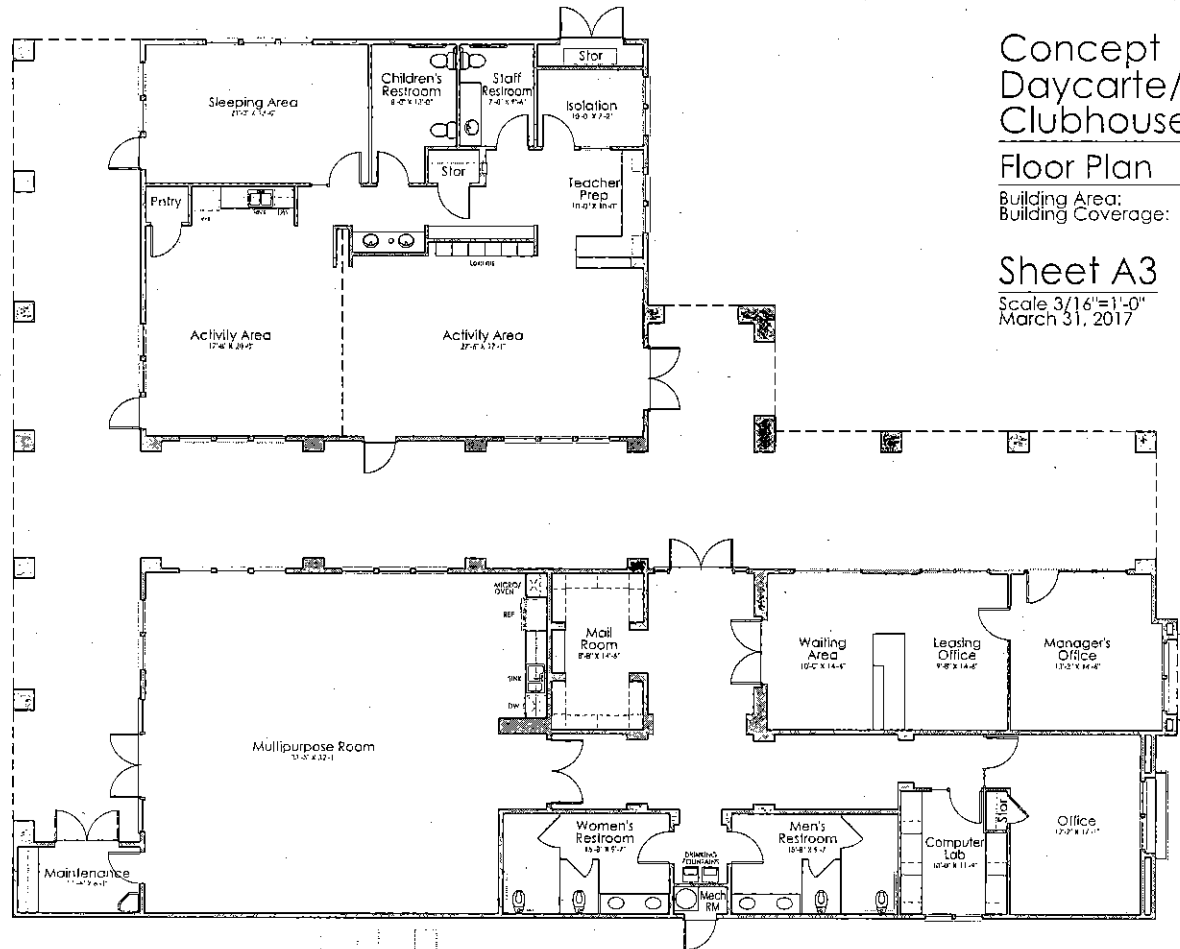
**Sheet A2**  
Scale 1/4"=1'-0"  
March 31, 2017

**"J" Street Apartments**  
Oakdale, California



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INCORPORATED





## Concept Daycare/HeadStart Clubhouse

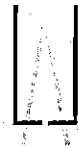
### Floor Plan

Building Area: 5,073 Square Feet  
Building Coverage: 7,353 Square Feet

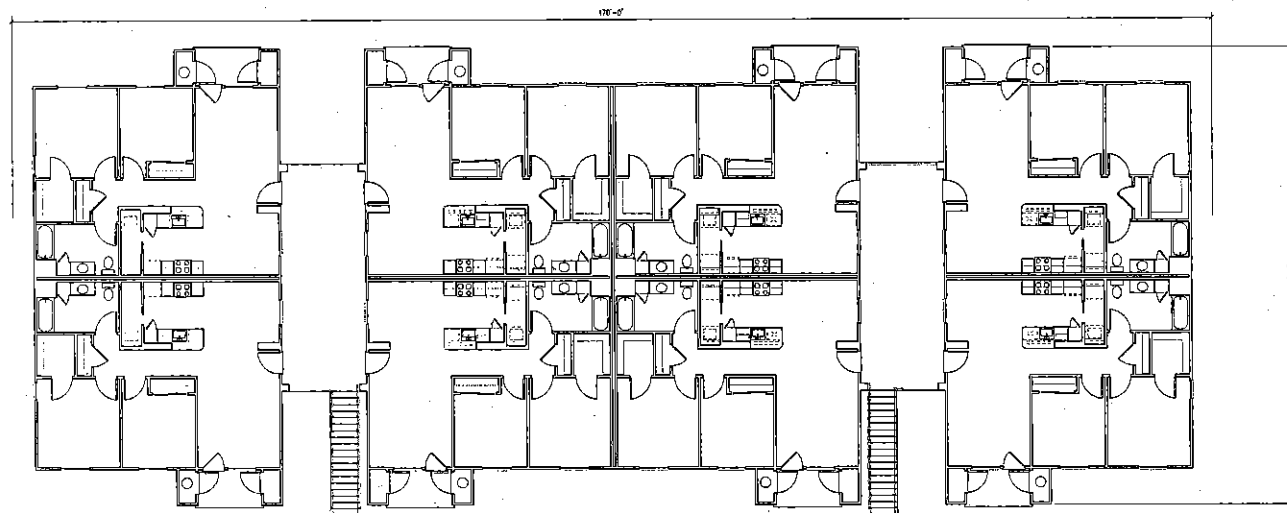
### Sheet A3

Scale 3/16"=1'-0"  
March 31, 2017

"J" Street Apartments  
Oakdale, California



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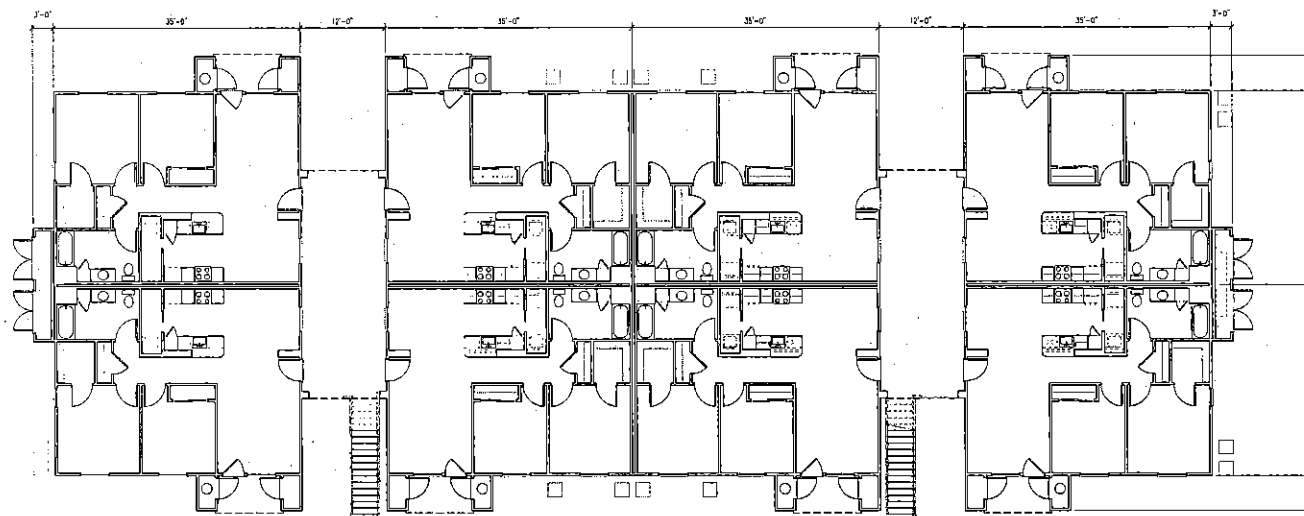


### Building "A" Total Project Data:

16-"A" Units	945 Sq. Ft. Each	Units Only/Floor Livable
Square Footages:	15,120 Sq. Ft.	Building Mechanical/Storage
	574 Sq. Ft.	Building Decks
	1,128 Sq. Ft.	Building Total
	16,824 Sq. Ft.	
	9,024 Sq. Ft.	Building Coverage

### Building "A" 2nd Floor Plan

8-"A" Units	945 Sq. Ft. Each	Units Only/Floor Livable
Square Footages:	7,560 Sq. Ft.	Building Mechanical/Storage
	240 Sq. Ft.	Building Decks
	1,128 Sq. Ft.	Building Total
	8,928 Sq. Ft.	
	9,024 Sq. Ft.	Building Coverage



### Building "A" 1st Floor Plan

8-"A" Units	945 Sq. Ft. Each	Units Only/Floor Livable
Square Footages:	7,560 Sq. Ft.	Building Mechanical/Storage
	334 Sq. Ft.	Building Decks
	0 Sq. Ft.	Building Total
	7,894 Sq. Ft.	

## CONCEPT BUILDING "A" FLOOR PLANS

### Sheet A4

Scale: 1/4"=1'-0"  
March 31, 2017



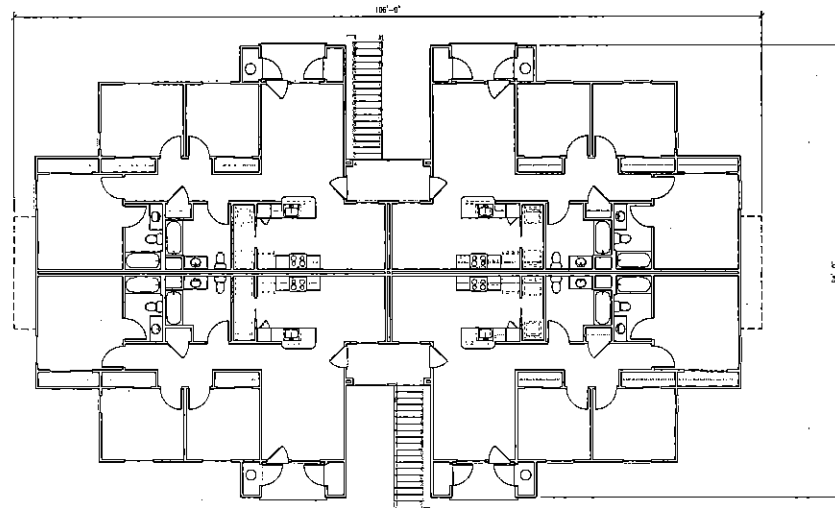
LEE JAGOE ARCHITECTURE  
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## "J" Street Apartments Oakdale, California

Visionary Home Builders of Ca., Inc.

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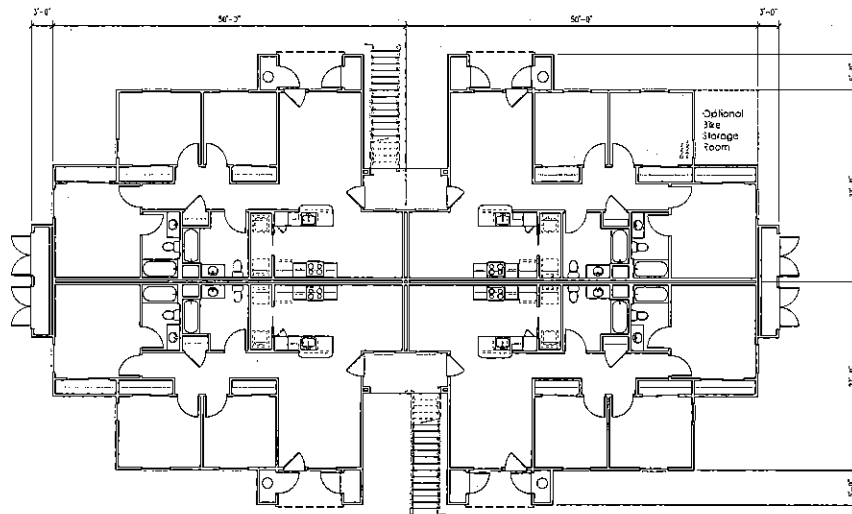


### Building "B" Total Project Data:

4-8" Units	1,155 Sq. Ft. Each	Units Only/Floor Livable
Square Footages:	9,240 Sq. Ft.	Building Mechanical/Storage
	336 Sq. Ft.	Building Decks
	200 Sq. Ft.	Building Total
	3,876 Sq. Ft.	
	5,156 Sq. Ft.	Building Coverage

### Building "B" 2nd Floor Plan

4-8" Units	1,155 Sq. Ft. Each	Units Only/Floor Livable
Square Footages:	4,620 Sq. Ft.	Building Mechanical/Storage
	120 Sq. Ft.	Building Decks
	200 Sq. Ft.	Building Total
	5,040 Sq. Ft.	
	5,156 Sq. Ft.	Building Coverage



### Building "B" 1st Floor Plan

4-8" Units	1,155 Sq. Ft. Each	Units Only/Floor Livable
Square Footages:	4,620 Sq. Ft.	Building Mechanical/Storage
	214 Sq. Ft.	Building Decks
	0 Sq. Ft.	Building Total
	4,834 Sq. Ft.	

## CONCEPT BUILDING "B" FLOOR PLANS

### Sheet A5

Scale 1/8"=1'-0"  
March 31, 2017



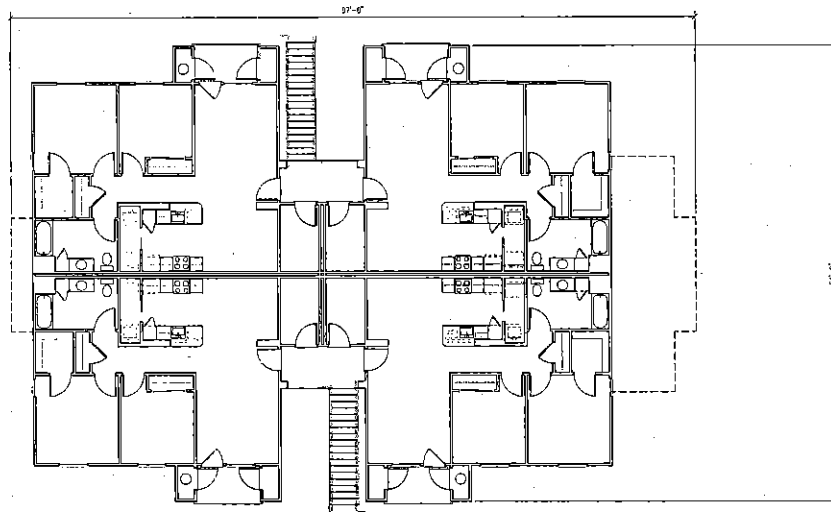
LEE-JAGOE ARCHITECTURE  
INCORPORATED

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## "J" Street Apartments Oakdale, California

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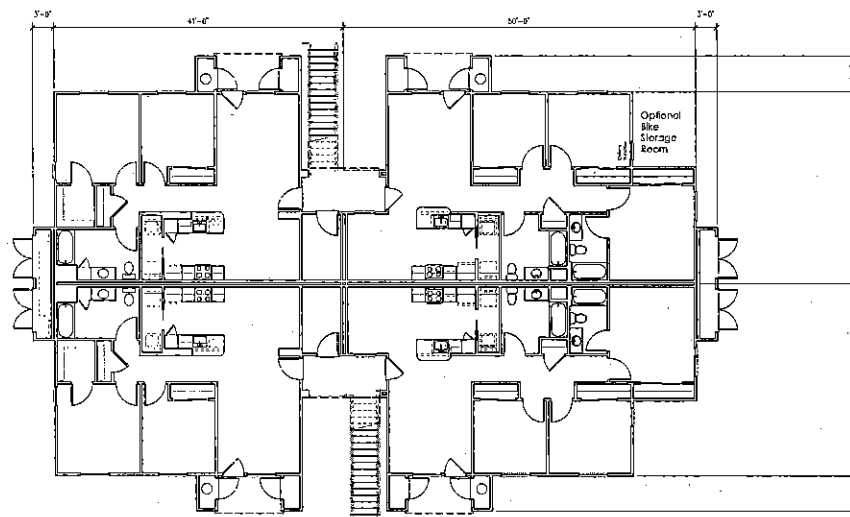


### Building "C" Total Project Data:

4-A Units	945 Sq. Ft. Each	Units Only/Floor Livable
2-B Units	1,155 Sq. Ft. Each	Building Mechanical/Storage
Square Footages:	7,980 Sq. Ft.	Building Decks
	702 Sq. Ft.	Building Total
	9,007 Sq. Ft.	Building Coverage
	4,858 Sq. Ft.	

### Building "C" 2nd Floor Plan

4-A Units	945 Sq. Ft. Each	Units Only/Floor Livable
Square Footages:	3,780 Sq. Ft.	Building Mechanical/Storage
	384 Sq. Ft.	Building Decks
	320 Sq. Ft.	Building Total
	4,464 Sq. Ft.	Building Coverage
	4,858 Sq. Ft.	



### Building "C" 1st Floor Plan

4-A Units	945 Sq. Ft. Each	Units Only/Floor Livable
2-B Units	1,155 Sq. Ft. Each	Building Mechanical/Storage
Square Footages:	4,200 Sq. Ft.	Building Decks
	336 Sq. Ft.	Building Total
	0 Sq. Ft.	
	4,536 Sq. Ft.	

### CONCEPT BUILDING "C" FLOOR PLANS

### Sheet A6

Scale: 1/8"=1'-0"  
March 31, 2017



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## "J" Street Apartments Oakdale, California

Visionary Home Builders of Ca., Inc.



## Front/Rear Elevations

Both Elevations Identical



## Side Elevations

Both Side Elevations Identical

Concept  
Elevations  
Building "A"

Sheet A7

Scale 3/16"=1'-0"  
March 31, 2017

"J" Street Apartments  
Oakdale, California



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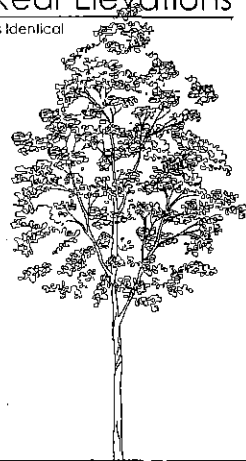
Visionary Home Builders of Ca., Inc.

211 W. FRANKLIN STREET  
MONTEREY, CALIFORNIA 93940  
(831) 719-8172  
MLEE@ARCHITECTURE.COM



### Front/Rear Elevations

Both Elevations Identical



Optional  
Bike  
Storage  
Building

### Side Elevations

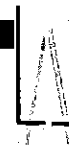
Both Side Elevations Identical  
Side Elevation for Building "C" West Elevation

## "J" Street Apartments Oakdale, California

Concept  
Elevations  
Building "B"

Sheet A8

Scale 1/4"=1'-0"  
March 31, 2017



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### Front/Rear Elevations

Rear Elevation Shown  
Front Elevation-Mirror Image



### Side Elevations

Both Side Elevations Identical  
See "B" Side Elevation for Other Side

"J" Street Apartments  
Oakdale, California

Concept  
Elevations  
Building "C"

Sheet A9

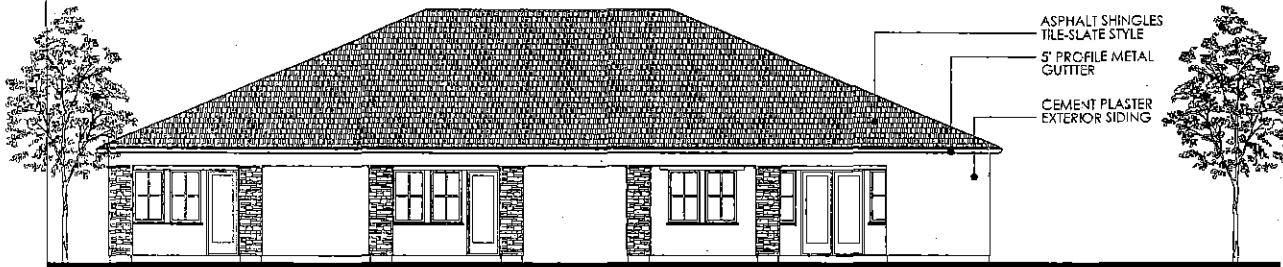
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MARCH 31, 2017



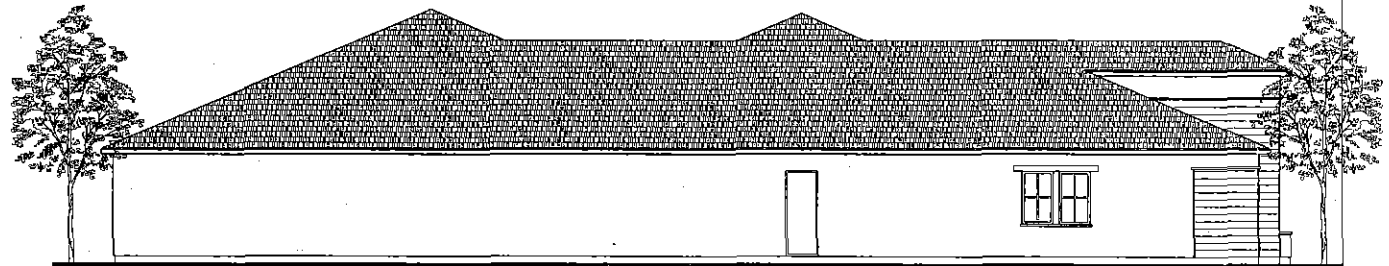
LEE JAGOE ARCHITECTURE  
INCORPORATED



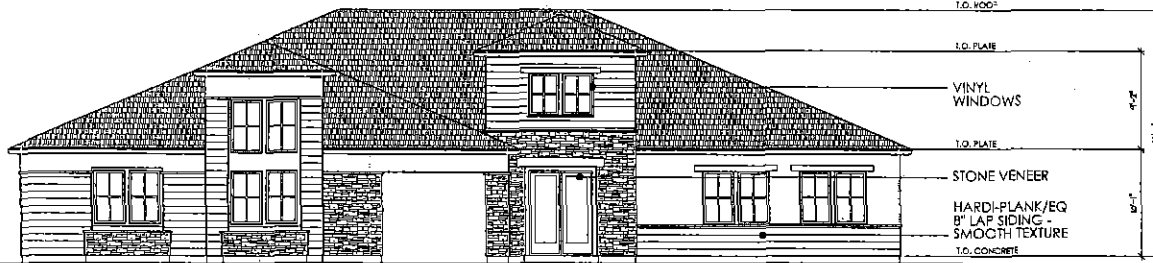
Right Side Elevation



Rear Elevation



Left Side Elevation



Front Elevation

"J" Street Apartments  
Oakdale, California

Concept  
Elevations  
Clubhouse  
Sheet A10  
Scale 3/16"=1'-0"  
March 31, 2017



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### Front/Rear Elevations

Both Elevations Identical



### Side Elevations

Both Side Elevations Identical

## "J" Street Apartments Oakdale, California

Colored  
Elevations  
Building "A"

Sheet A11

Scale 3/16"=1'-0"  
December 1, 2016



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MLEE@JAGOEARCHITECT.COM



Front/Rear Elevations

Both Elevations Identical



Side Elevations

Both Side Elevations Identical  
Side Elevation for Building "C" West Elevation

Colored  
Elevations  
Building "B"

Sheet A12

Scale 1/4"=1'-0"  
December 1, 2016

"J" Street Apartments  
Oakdale, California



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INCORPORATED



### Front/Rear Elevations

Rear Elevation Shown  
Front Elevation-Mirror Image



### Side Elevations

Both Side Elevations Identical  
See "B" Side Elevation for Other Side

Colored  
Elevations  
Building "C"

Sheet A13

Scale 1/4"=1'-0"  
December 1, 2016

"J" Street Apartments  
Oakdale, California



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(831) 718-8172  
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Right Side Elevation



Rear Elevation



Left Side Elevation



Front Elevation

# "J" Street Apartments Oakdale, California

Colored  
Elevations  
Clubhouse  
Sheet A14

Scale 3/16"=1'-0"  
December 1, 2016



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## EXHIBIT B

### Insurance Requirements for Construction Contracts

Contractor shall procure and maintain for the duration of the contract, and for 3 years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors.

#### MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$5,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), with limits no less than \$2,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Builder's Risk** (Course of Construction) insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.
5. **Surety Bonds** as described below.
6. **Professional Liability** (if Design/Build), with limits no less than \$2,000,000 per occurrence or claim and \$4,000,000 policy aggregate.
7. **Contractors' Pollution Legal Liability** and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than \$2,000,000 per occurrence or claim and \$4,000,000 policy aggregate.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

***Application of Excess Liability Coverage:*** Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.



### ***Other Insurance Provisions***

The insurance policies are to contain, or be endorsed to contain, the following provisions:

#### ***Additional Insured Status***

The County, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL and Auto policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. General liability and Auto liability coverage can be provided in the form of an endorsement to the Contractor's insurance (**at least** as broad as ISO Form CG 20 10, CG 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

#### ***Primary Coverage***

For any claims related to this contract, the Contractor's insurance coverage shall be primary coverage **at least** as broad as ISO CG 20 01 04 13 as respects the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

#### ***Builder's Risk (Course of Construction) Insurance***

Contractor may submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage shall name the County as a loss payee as their interest may appear.

If the project does not involve new or major reconstruction, at the option of the County, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at the County's site.

#### ***Reporting***

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

#### ***Notice of Cancellation***

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the County. Notification of insurance cancellation to the County will be contractors' responsibility.

#### ***Waiver of Subrogation***

Contractor hereby agrees to waive rights of subrogation (except for Professional Liability) which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the County for all work performed by the Contractor, its employees, agents and subcontractors.





***Self-Insured Retentions***

Self-insured retentions must be declared to and approved by the County. At the option of the County, either: the contractor shall cause the insurer shall reduce or eliminate such self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County.

***Acceptability of Insurers***

Insurance is to be placed with California admitted insurers (licensed to do business in California) with a current A.M. Best's rating of no less than A-VII, however, if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Approved Surplus Line Insurers (LASLI) maintained by the California Department of Insurance.

***Claims Made Policies***

If any coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown, and this date must be before the execution date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the Contractor must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to the County for review.
5. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

***Verification of Coverage***

Contractor shall furnish the County with original certificates and amendatory endorsements, or copies of the applicable insurance language, effecting coverage required by this contract. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time. We strongly recommend obtaining a copy of the policy declarations and endorsement page (make this a requirement in your Contract) to facilitate verification of coverages and spot any undesirable policy limitations or exclusions.



***Subcontractors***

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format least as broad as CG 20 38 04 13.

***Surety Bonds***

Contractor shall provide the following Surety Bonds:

1. Bid bond
2. Performance bond
3. Payment bond
4. Maintenance bond

The Payment Bond and the Performance Bond shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty a separate Maintenance Bond is not necessary. If the warranty period specified in the contract is for longer than one year a Maintenance Bond equal to 10% of the contract price is required. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

***Special Risks or Circumstances***

County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.

***Insurance Limits***

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

[SIGNATURES SET FORTH ON THE FOLLOWING PAGE]



\_\_\_\_\_ Exempt from Auto – I will not utilize a vehicle in the performance of my work with the County.

\_\_\_\_\_ Exempt from WC – I am exempt from providing workers' compensation coverage as required under section 1861 and 3700 of the California Labor Code.

I acknowledge the insurance requirements listed above.

Print Name: Jim Kuse Date: 4-1-19

Signature: [Signature] Date: 4-1-19

Vendor Name: Housing Authority of the County of Stanislaus

*For CEO-Risk Management Division use only*

Exception: N/A

Approved by CEO-Risk Management Division: [Signature] Date: 3/13/2019





*BOB R# 2018-0039*  
*2018-0106*

DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

1010 10<sup>TH</sup> Street, Suite 3400, Modesto, CA 95354  
Planning Phone: (209) 525-6330 Fax: (209) 525-5911  
Building Phone: (209) 525-6557 Fax: (209) 525-7759

**SECOND AMENDMENT TO STANISLAUS COUNTY AGREEMENT FOR  
INDEPENDENT CONTRACTOR SERVICES  
SUCCESSOR HOUSING AGENCY &  
NEIGHBORHOOD STABILIZATION PROGRAM**

Reference is made to the County of Stanislaus Independent Contractor Services Agreement (the "Agreement") dated January 09, 2018 by and between the County of Stanislaus, hereinafter referred to as "County", and Housing Authority of the County of Stanislaus, hereinafter referred to as ("Contractor").

WHEREAS, the Contractor has asked the County to extend the Term of the Agreement and the County agrees to extend the Term of the Agreement, effective April 09, 2019; and

WHEREAS, Section 17 of the Agreement allows for amendment and modification to the Agreement; and

NOW THEREFORE, the parties hereby agree as follows:


1. Section 2.c, Exhibit A, is amended to read:

All construction work must be completed and all six single-family dwelling units must be rented out to eligible tenants within one year and eight months (September 9, 2019) of this Reuse Plan approval (January 9, 2018).

2. All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers:

**County of Stanislaus**

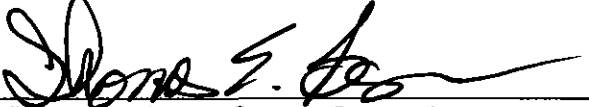
By:   
Angela Freitas, Director

**Housing Authority of the County of  
Stanislaus**

By:   
Jim Kruse, Deputy Director

APPROVED AS TO FORM:

Thomas E. Boze, County Counsel

By:   
Thomas E. Boze, County Counsel

*to COB & CIMS*

# SUBSTANTIAL AMENDMENT TO NEIGHBORHOOD STABILIZATION PROGRAM (NSP) 1 AND 3 ACTION PLANS AND REALLOCATION OF FUNDS

Board of Supervisors  
February 27, 2018





# Neighborhood Stabilization Program (NSP) 1 & 3

Since 2009, \$13.9 million in grant funding received for the:

- Acquisition, rehabilitation, construction, and resale of foreclosed properties;
- Down payment assistance to income qualified homebuyers of NSP properties;
- Demolition of abandoned and dangerous residential buildings.



# Neighborhood Stabilization Program (NSP) 1 & 3

An additional \$9.4 million in Program Income made available from the resale of acquired properties

## Accomplishments:

- 8 vacant properties acquired
- 77 units rehabilitated and 3 units constructed
- 25 units retained as affordable rental housing

\$4.6 million in funding remain available



# Substantial Amendment

- Commit \$3 million in grant funding for the development of the Oak Leaf Meadows 56-unit affordable housing project
- Reallocate funding from existing programs:
  - Abandoned and Dangerous Building Program (\$925,000 – NSP 1 & \$367,000 in NSP 3 )
  - Down Payment Assistance Program (\$264,000 – NSP 3)



# Substantial Amendment

## *Proposed Funding Allocation – NSP 1*

Neighborhood Stabilization Program Income (NSP 1) Uses	Amount
Oak Leaf Meadows Affordable Housing Project Site Improvements	\$2,050,000
Oak Leaf Meadows Project Affordable Housing Impact Fees	\$950,000
Housing Authority Project Administration (Oak Leaf Meadows Project)	\$90,000
County Administration of NSP 1 Program	\$409,000
Abandoned and Dangerous Building Program	\$50,000
<b>Total</b>	<b>\$3,549,000</b>





# Substantial Amendment

## *Proposed Funding Allocation – NSP 3*

Neighborhood Stabilization Program Income (NSP 3) Uses	Amount
New Construction - Veterans Housing (6 Units) – in progress	\$398,500
Housing Authority Project Administration (Veterans Housing)	\$11,900
In-Fill Housing Acquisition Activity (through Housing Authority)	\$515,000
Housing Authority Project Administration (In-Fill Housing)	\$15,500
County Administration of NSP 3 Program	\$120,000
Abandoned and Dangerous Building Program	\$50,000
<b>Total</b>	<b>\$1,110,900</b>



# Substantial Amendment

## *Proposed Funding Allocation – NSP 3*

Neighborhood Stabilization Program Income (NSP 3) Uses	Amount
New Construction - Veterans Housing (6 Units) – in progress	<del>\$328,200</del> <b>\$398,500</b>
Housing Authority Project Administration (Veterans Housing)	<del>\$9,800</del> <b>\$11,900</b>
In-Fill Housing Acquisition Activity (through Housing Authority)	<del>\$567,000</del> <b>\$515,000</b>
<b>Housing Authority Project Administration (In-Fill Housing)</b>	<b>\$15,500</b>
County Administration of NSP 3 Program	<del>\$140,000</del> <b>\$120,000</b>
Abandoned and Dangerous Building Program	\$50,000
<b>Total</b>	<b>\$1,110,900</b>



# Oak Leaf Meadows Project

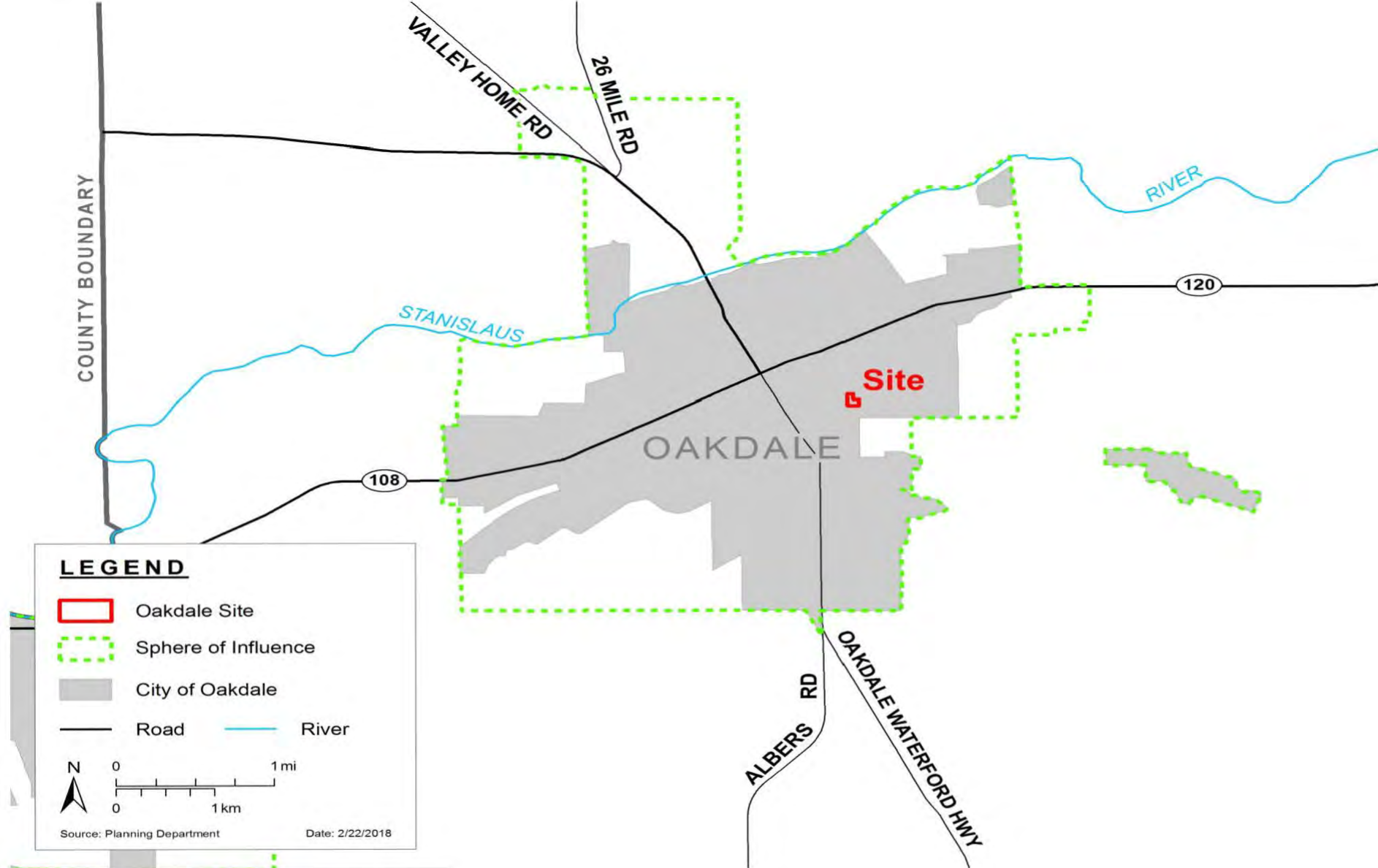
A proposed 56-unit multi-family affordable housing partnership project by:

- Housing Authority County of Stanislaus
- Visionary Home Builders of California
- Great Valley Housing Development Corporation

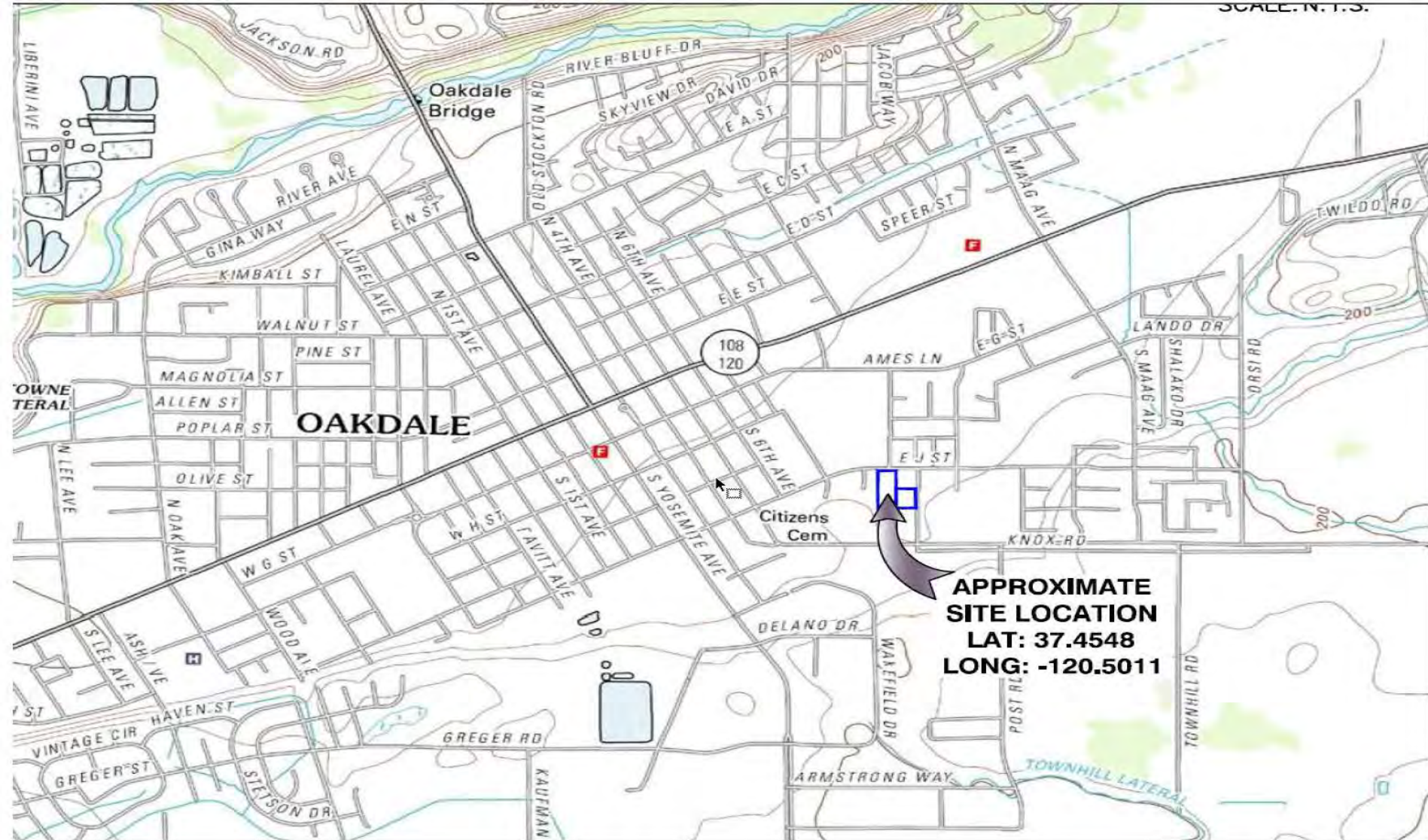
City of Oakdale Planning Commission and City Council have approved the project











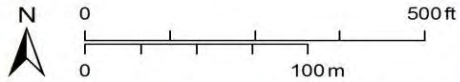




**LEGEND**

-  Oakdale Site
-  City of Oakdale Boundary
-  Railroad

Note: 2017 Aerial Imagery



Source: Planning Department

Date: 2/22/2018





VIEW SOUTH ALONG THE  
WEST SITE BOUNDARY



VIEW SOUTH ALONG THE CENTRAL  
PROJECT SITE BOUNDARY



VIEW SOUTH ALONG THE  
EAST SITE BOUNDARY

# Oak Leaf Meadows Project

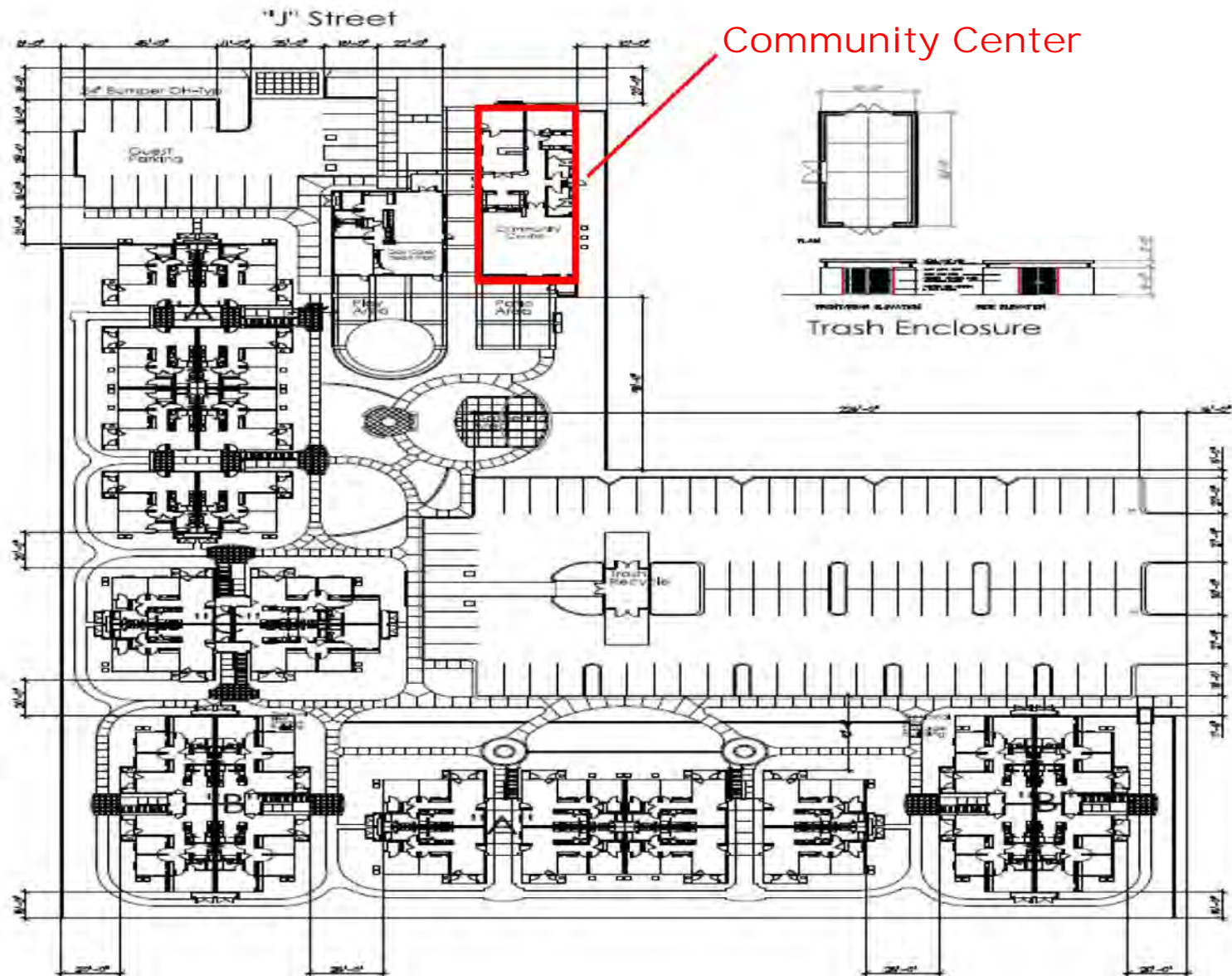
- Two and three-bedroom units;
- One and two-story buildings with separate tenant and visitor parking lots;
- On-site amenities include:
  - Outdoor gathering area, tot lot, play area, 5,000 square foot community center, and a day care/head start facility.



The floor plan shows a multi-unit residential building with a central corridor and multiple units. Key areas include:

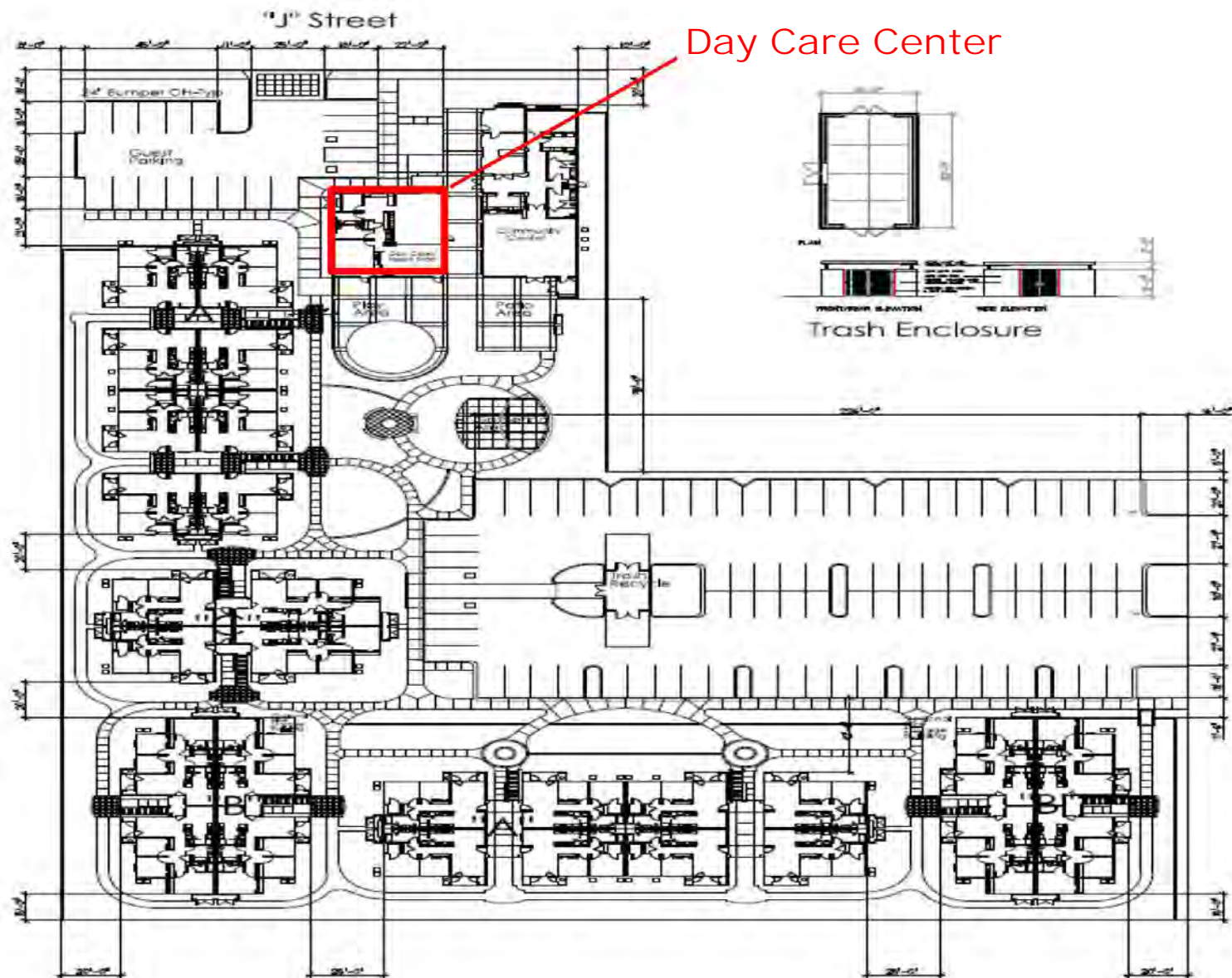
- Guest Parking:** Located at the top left.
- Community Center:** Located in the upper right.
- Trash Enclosure:** A detailed view of the trash enclosure is shown in the upper right, including a plan view and a section view. The plan view shows a rectangular enclosure with a door and a window. The section view shows the enclosure's profile, with labels for "TRASH ENCLOSURE" and "TRASH ENCLOSURE".
- Trash Enclosure Detail:** A detailed view of the trash enclosure is shown in the upper right, including a plan view and a section view. The plan view shows a rectangular enclosure with a door and a window. The section view shows the enclosure's profile, with labels for "TRASH ENCLOSURE" and "TRASH ENCLOSURE".





Community Center

Pederson Road



Day Care Center

Pederson Road



## Front/Rear Elevations

Both Elevations Identical



## Side Elevations

Both Side Elevations Identical

Colored  
Elevations  
Building "A"

Sheet A11

Scale 3/16"=1'-0"  
December 1, 2016



LEE-JAGOE ARCHITECTURE  
INCORPORATED

2201 W. MARION LANE, SUITE 8030  
STOCKTON, CALIFORNIA 95207  
(209) 937-9254 FAX (209) 937-9347  
DJJAGOE@LEEJAGOEARCH.COM

"J" Street Apartments  
Oakdale, California

Visionary Home Builders of Ca., Inc.

271 W. FRANKLIN STREET  
MONTREY, CALIFORNIA 93940  
(408) 718-8172  
MILEE@ARCHSDRAW.COM





Right Side Elevation



Rear Elevation



Left Side Elevation



Front Elevation

## "J" Street Apartments Oakdale, California

Colored  
Elevations  
Clubhouse  
Sheet A14  
Scale 3/16"=1'-0"  
December 1, 2016



Visionary Home Builders of Ca., Inc.

# Oak Leaf Meadows Project

\$22 million total project costs, including off-site improvements

- \$19 million from different public and private funding sources including low-income housing tax credits
- \$3 million in NSP funding

\$12.6 million for on-site construction costs (\$225,000 per unit construction cost)



# Oak Leaf Meadows Project

14 of the 56 units will be NSP assisted units:

- Available to households with incomes below or at 50% of area median income (AMI) for a minimum term of 55 years

Property will be managed by Housing Authority

Environmental assessment has been completed in compliance with NEPA and CEQA.



# Oak Leaf Meadows Project

## Amended Recommendation -

- Staff is recommending a grant instead of a loan to meet Low Income Housing Tax Credit Application requirements.
- Affordability still secured for 55 years.

## Public Review and Comment Period

- January 25 – February 26, 2018
- No comments received to date
- Scheduled Public Hearing today



# Staff Recommendations

- Approve a Substantial Amendment to the NSP Action Plans to fund an affordable housing project proposal, Oak Leaf Meadows, and reallocate NSP funds
- Authorize the Director of the Planning and Community Development Department to take all actions necessary to implement the substantial amendment



# Staff Recommendations

- Approve budget adjustments for the NSP 1 and 3 Programs
- Direct the Auditor-Controller to increase revenues and appropriations for NSP 1 and 3 budgets as detailed in the Budget Journal form.





# Questions

