

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
ADMINISTRATION AND MANAGEMENT DIVISION****Business and Contract Services Branch**

2020 W. El Camino Avenue, Suite 130, 95833

P. O. Box 952054

Sacramento, CA 94252-2054

(916) 263-6928 / FAX (916) 263-6917

www.hcd.ca.gov

November 11, 2021

Tiffany Schmid, Director, Planning & Building Department
County of El Dorado
2850 Fairlane Court, Building C
Placerville, CA 95667

Dear Tiffany Schmid:

**RE: County of El Dorado
Contract No. 19-HOME-14977**

Congratulations on your HOME Investment Partnerships Program (HOME) 2019 NOFA award. Attached is an electronic copy of the Standard Agreement with Exhibits A through E:

A. Standard Agreement Contents (STD 213 and Exhibits A through E)

STD 213 – Cover page

Exhibit A – Authority, Purpose and Scope of Work

Exhibit B – Budget Detail and Payment Provisions

Exhibit C* – State of California General Terms and Conditions - GTC 04/2017

**Exhibit C is now incorporated by reference; please see the STD 213 for additional information.*

Exhibit D – HOME General Terms and Conditions

Exhibit E – Special Conditions

B. For expeditious handling of the contract, the Department offers two options for returning signed STD 213; please review and complete one of the following options:

1. Review the entire Agreement thoroughly and discuss the requirements with County Counsel and Risk Management.

1. The person or persons authorized by the Resolution(s), must provide an **original signature, printed name, title and date, using blue ink**, on the lower left-hand section entitled "Contractor" on the STD 213 and/or on page 2 of the STD 213, if applicable.
3. **Option One:** For electronic signature processing, reply to this Standard Agreement email notification with the attached, fully signed STD 213 page(s). All signatures must be original and in **blue ink**. All signers must be included in the reply email and confirm acceptance of e-signing the Agreement.
4. **Option Two:** Print one copy of the Standard Agreement, STD 213. Do not send photocopies of the signed STD 213 page(s). The copy must be an original, **wet** signature and in **blue ink**; do not return the Exhibits to HCD.
5. **Note:** If the resolution did not authorize a designated official to sign the STD 213 and amendments thereto, your governing body must adopt a resolution authorizing a designated official(s) to sign the STD 213 and any subsequent amendments. If the authorized designee as reflected in the resolution, the awarded NOFA amount or your entity status has changed, you are required to provide, to the Department, a new resolution consistent with the terms of the NOFA award and adopted by your Board.
6. Return the e-signed copy or the signed copy of the STD 213; and, if applicable, the certified resolution within 30 days from the date of this letter to the below address. **Additionally, you must provide written evidence (e.g., a letter or email addressed to the undersigned) from the County Counsel and Risk Management that these entities approved the Standard Agreement before you exercise one of the two options for signing above. You must send this written evidence to the below address as well. You may also send this written evidence to the email address to the HOME Program Manager at the email below for Jay Cortese.**

**Department of Housing and Community Development
Business & Contract Services Branch
Contracts Office, Attention: Jennifer Collins
2020 W. El Camino Avenue, Suite 130
Sacramento, CA 95833**

7. Maintain a complete electronic version of the STD 213 and Exhibits for your pending file. **Note: The Standard Agreement contract is not effective until it is signed by the Awardee's designated official and the Department.**

The Department reserves the right to cancel any pending Standard Agreement in its entirety if not returned within the required 30-day period.

Please contact Jay Cortese, HOME Program Manager, Federal Community Development Branch, at (916) 263-2310 or Jay.Cortese@hcd.ca.gov, if you have any questions regarding the Standard Agreement or the provisions therein.

Sincerely,



Jennifer Collins
Contract Analyst

cc: Jay Cortese, HOME Program Manager, Federal Community Development Branch

STANDARD AGREEMENT

AGREEMENT NUMBER

PURCHASING AUTHORITY NUMBER (if applicable)

STD 213 (Rev. 04/2020)

19-HOME-14977

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

CONTRACTOR'S NAME

County of El Dorado

2. The term of this Agreement is:

START DATE

Upon HCD Approval

THROUGH END DATE

10/31/2039

3. The maximum amount of this Agreement is:

\$983,000.00

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

EXHIBITS	TITLE	PAGES
Exhibit A	Authority, Purpose and Scope of Work	3
Exhibit B	Budget Detail and Payment Provisions	3
Exhibit C*	State of California General Terms and Conditions	GTC - 04/2017
Exhibit D	HOME Program Terms and Conditions	36
Exhibit E	Special Conditions	2
TOTAL NUMBER OF PAGES ATTACHED		44

Items shown with an asterisk (), are hereby incorporated by reference and made part of this agreement as if attached hereto.*

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

County of El Dorado

CONTRACTOR BUSINESS ADDRESS 2850 Fairlane Court, Bldg. C	CITY Placerville	STATE CA	ZIP 95667
PRINTED NAME OF PERSON SIGNING	TITLE		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Department of Housing and Community Development

CONTRACTING AGENCY ADDRESS 2020 W. El Camino Ave., Suite 130	CITY Sacramento	STATE CA	ZIP 95833
PRINTED NAME OF PERSON SIGNING Shaun Singh	TITLE Contracts Manager, Business & Contract Services Branch		
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED		

California Department of General Services Approval (or exemption, if applicable)

Exempt per; SCM Vol. 1 4.04.A.3 (DGS memo dated 06/12/1981)

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

1. Authority & Purpose

This Standard Agreement (hereinafter "Agreement") will provide official notification of the conditional reservation of funds under the State of California's administration of the HOME Investment Partnerships Program (hereinafter "HOME") by the Department of Housing and Community Development (hereinafter "Department") pursuant to the provisions of the Cranston-Gonzalez National Affordable Housing Act (42 USC 12741 et seq.), the HOME Investment Partnerships Program (Title 24 Code of Federal Regulations Part 92), California Health and Safety Code Section 50896, and Title 25, Division 1, Chapter 7, Subchapter 17 of the California Code of Regulations (hereinafter "CCR"), Sections 8200 through 8220 ("State Regulations"), all in effect and as amended from time to time. The HOME Program is listed in the Catalog of Federal Domestic Assistance (CFDA) as 14.239 - HOME Investment Partnerships Program.

In accepting this conditional reservation of funds, the Contractor (sometimes referred to herein as the "HOME Recipient") agrees to comply with the terms and conditions of this Agreement, the Notice of Funding Availability (NOFA) under which the HOME Recipient applied, and which is further described in Exhibit E, the representations contained in the HOME Recipient's application for this funding allocation (the "Application"), and the requirements of the authorities cited above.

2. Scope of Work

HOME Recipient shall perform the Scope of Work (hereinafter "Work"), including deadlines thereto, as described in Exhibit E and the Application, which is on file at the Department, Division of Financial Assistance, 2020 West El Camino Ave., Sacramento, California, and which is incorporated herein by reference. All written materials or alterations submitted as addenda to the original Application and which are approved in writing by a HOME Program Manager or higher Departmental official, as appropriate, are hereby incorporated as part of the Application. The Department reserves the right to require the HOME Recipient to modify any or all parts of the application to comply with HOME federal and/or state regulations. The Department reserves the right to review and approve all Work to be performed by the HOME Recipient in relation to this Agreement. Any proposed revision to the Work must be submitted in writing for review and approval by the Department. Any approval shall not be presumed unless such approval is made by the Department in writing.

The Work in this Agreement is limited to one or more of the following HOME program activities as defined in California Code of Regulations Title 25, Section 8201: (1) First-Time Homebuyer Program; (2) Owner-Occupied Rehabilitation Program; and (3) Tenant-Based Rental Assistance Program.

HOME Investment Partnerships Program (HOME)
Program Activities
NOFA Date: 10/31/2019
Approval Date: 7/30/2021
Prep. Date: 08/27/2021

EXHIBIT A

The Work in this Agreement does not include any "First-time homebuyer project" as defined in California Code of Regulations Title 25, Section 8201.

3. Contract Amount

For the purposes of performing the Work, the Department agrees to provide the amount shown on Page 1, No. 3 of this Agreement (as identified in STD 213) and as further described in Exhibit E Section 2. In no instance shall the Department be liable for any costs for Work in excess of this amount, nor for any unauthorized or ineligible costs. The HOME Recipient agrees to administer this allocation in accordance with the provisions of 24 Code of Federal Regulations (hereinafter "CFR") Part 92 and Title 25 of the CCR Section 8200 through Section 8220.f.

4. Activity Delivery Costs

HOME Recipients shall report the amount of Activity funds used for project-related soft costs, otherwise known as Activity Delivery Costs (hereinafter "ADC"), on all HOME Project Set-Up and Completion Reports (hereinafter "PCRs"). The HOME Recipient must request ADC in proportion to the amount of Activity funds being drawn down. The maximum amount of ADC that may be drawn for each specific activity is:

- A. Up to 24% of the HOME loan/grant amount for Owner-Occupied Rehabilitation (OOR). Activity delivery costs for rehabilitation projects may exceed the 24% limit if documentation of actual costs is provided to HCD with each PCR. Documentation must be of actual costs; consultant billings, without documentation of underlying actual costs, are not adequate;
- B. Up to 6.5% of the HOME loan/grant amount for First-Time Homebuyer (FTHB) activities;
- C. Up to 6.5% of the HOME construction loan amount for First-Time Homebuyer activities involving in-fill new construction; and,
- D. Up to 5% of the total household assistance amount, to reimburse the administrative cost of only unit inspections and household eligibility determinations for Tenant-Based Rental Assistance, in accordance with HOME Regulations at 24 CFR Part 92.209(a).

The total amount of ADC drawn down during the entire contract term must be for actual costs incurred according to 2 CFR Part 200, and have documentation in each project file to support ADCs claimed.

EXHIBIT A

5. Authority to Contract

Contractor has the capacity, financial resources, staff resources and authority to fulfill the obligations required of it hereunder, and nothing prohibits or restricts the right or ability of Contractor to carry out the terms hereof.

6. Other Funding Sources

- A. Other Funding Sources - The HOME Recipient shall report on the value of other contributions included as leverage to the project activity with each Project Set-Up and Completion Report. The Project Set-Up and Completion Report is the report which conveys the information needed to establish a project-specific account in the Federal Integrated Disbursement and Information System (hereinafter "IDIS"). It is also the report that is used to convey any changes to the project-specific account or report the final project-specific information in IDIS established by U.S. Department of Housing and Urban Development (hereinafter "HUD").
- B. Match - All matching contributions for a specific activity required by 24 CFR Part 92.218-92.222 are waived. However, the HOME Recipient shall report all match-eligible funding in the PCR.
- C. Subsidy Limits -The amount of HOME funds that the HOME Recipient may contribute to HOME-assisted housing on a per-unit basis may not exceed the per-unit subsidy dollar limits established by HUD, as referenced in 24 CFR Part 92.250.

7. HOME Program Contract Coordinator

The HOME Recipient's contact for this Agreement may vary; therefore, you will be contacted directly by your assigned HCD program representative. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be sent by e-mail or First-Class mail as shown below:

Email: HOME@hcd.ca.gov

Address: Department of Housing and Community Development
Division of Federal Financial Assistance – HOME Program
P.O. Box 952054
Sacramento, CA 94252-2054

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Definitions

- A. "Activity Delivery Costs" (hereinafter "ADC") means a project's "related soft costs" as this term is defined at Title 24 of the Code of Federal Regulations (hereinafter "24 CFR") Part 92.206(d). ADCs are included in the "HOME Activity Funds". The HOME Recipient may expend up to the indicated ADC maximum as identified in Exhibit A, Section 4. HOME funds for Activity Delivery Eligible Project Costs and HOME Activity Funds shall be drawn down at the same time. If the activity is not completed, and a Project Completion Report for the full amount drawn down is not filed, all HOME funds, including ADC, must be repaid to the Department as identified in Exhibit D, Section 12c.
- B. "Project Set-Up" refers to the forms and process required to reserve HOME funds in the federal Integrated Disbursement and Information System (IDIS) for a specific HOME-assisted project.
- C. "Project Disbursement" refers to the forms and process required to request the drawdown of HOME funds from IDIS for a project's previously-reserved HOME funds.
- D. "Project Completion Report" refers to the form and process required to report a project "complete". The Project Completion Report must be submitted to HCD within 60 days of the final draw request. If the activity is not complete, and a Project Completion Report for the full amount drawn down is not filed, all HOME funds for the particular project must be repaid to the Department.
- E. "Administration" refers to eligible administrative and planning costs as provided in 24 CFR Part 92.207.

2. General Set-Up Requirements

The HOME Recipient shall submit the following for the Department's approval, prior to project set-up in IDIS:

- A. The "General Set-Up Conditions Checklist" on a form provided by the Department and any required supporting documentation, including a program administration budget, and Affirmative Fair Market Analyses with marketing plan.

EXHIBIT B

- B. For First-Time Homebuyer (hereinafter “FTHB”) Activities, the HOME Recipient shall submit a revised FTHB Feasibility Worksheet (Exhibit B7 of the HOME NOFA Program Activities application) as part of its General Set-up Conditions to confirm program feasibility.
- C. Any other documents, certifications, or evidence deemed necessary by the Department prior to Project Set-Up.

3. **Administrative Disbursement Requirements**

Prior to requesting administrative funds, the HOME Recipient shall submit the following:

- A. Payee Data Record (STD 204 or TIN Form as applicable);
- B. Completed HUD “Exempt or Categorically Excluded, Not Subject to 58.5” environmental form marked as “Exempt” for HOME General Administration at <https://www.hudexchange.info/resource/3141/part-58-environmental-review-exempt-or-censt-format/>

4. **Individual Project Set-Up Requirements**

The HOME Recipient shall submit the following documentation to the Department:

- A. HCD-required Project Set-Up Report; and,
- B. Any other documents, certifications, or evidence deemed necessary by the State prior to Project Set-Up.

5. **Project Disbursement Requirements**

The HOME Recipient shall submit the following documentation to the Department prior to the disbursement of funds:

- A. HCD-required Project Drawdown Request Form;
- B. STD 204, Payee Data Record form (if necessary);
- C. Designated Payee letter (if necessary);
- D. Evidence of sufficient and eligible HOME match, if necessary for funding;

EXHIBIT B

- E. Any other documents, certifications, or evidence deemed necessary by the Department prior to disbursement of project funds; and,
- F. For the final drawdown, a HOME Project Completion Report, if any funding sources and/or amounts have changed since the most recently-submitted Project Set-Up Report.

6. Project Completion Requirements

The HOME Recipient shall submit the following documentation to the Department for project completion:

- A. HCD-required final Project Set-Up and Completion Report; and,
- B. Any other documents, certifications, or evidence deemed necessary by the Department prior to project completion.

7. General Conditions of Disbursement

- A. The HOME Recipient shall spend or commit to a HOME project, by the end of a state fiscal year, all HOME Program Income and Recaptured Funds that were in the local HOME account as of the beginning of that fiscal year, before requesting HOME funds from the Department, to comply with 24 CFR Part 92.503(d). In addition, the HOME Recipient shall not request disbursement (drawdown request) of HOME program grant funds under this Agreement until the funds are needed for the reimbursement of eligible costs only. The amount of each request shall be limited to the amount needed for reimbursement of actual expenses for Work that has been completed. Work completed means FTHB escrow has closed, Tenant-Based Rental Assistance rent subsidies were paid, and/or Owner-Occupied Rehabilitation construction/rehabilitation costs are paid for Work completed and inspected.
- B. No later than 60 days after any final project drawdown request, the HOME Recipient shall provide a Project Completion Report to the Department. In the event that a Project Completion Report is not received by the Department within the 60-day period, the Department shall suspend further Project Set-Ups for the Contractor until the Project Completion Report is received by the Department and is accepted in the federal Integrated Disbursement and Information System (IDIS).
- C. In the event the Department determines funds were used for ineligible expenses, further Project Set-Ups and all disbursements may be withheld until the issue of the ineligible expenses is resolved to the satisfaction of the Department.

HOME Investment Partnerships Program (HOME)
Program Activities
NOFA Date: 10/31/2019
Approval Date: 7/30/2021
Prep. Date: 08/27/2021

EXHIBIT D

HOME PROGRAM TERMS AND CONDITIONS

1. Effective Date and Commencement of Work

- A. This Agreement is effective upon approval by the Department representative's signature on page one of the fully-executed Standard Agreement, STD 213 (the "Effective Date").
- B. The HOME Recipient agrees that Work shall not commence, nor shall any costs to be paid with HOME funds be incurred or obligated by any party, prior to the execution of this Agreement by the Department, completion of all required environmental clearances, and compliance with all applicable conditions of this Agreement.

There are two exceptions to this requirement:

- 1) First, administrative expenses for eligible National Environmental Policy Act (NEPA) compliance work may be incurred prior to the execution of this Agreement.
 - 2) Secondly, with HOME Program Manager or Section Chief prior written approval, other costs may also be incurred prior to the execution of this Agreement. Such costs may consist of procurement of administrative subcontractors, development of program guidelines, architectural, engineering and other professional services required to prepare plans, drawings, specifications, or work write-ups that are incurred not more than twenty-four (24) months prior to the project being set up in IDIS.
- C. The HOME Recipient agrees that the Work shall be completed by the date specified in Exhibit E, under provision of Section 3.A.

2. Sufficiency of Funds

- A. This Agreement is valid and enforceable only if sufficient funds are made available to the Department by the United States Government for the purposes of the HOME Program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or state Legislature, promulgated in state or federal regulations or any state or federal statute, as now in effect and as may be amended from time to time which may affect the provisions, terms, or funding of this Agreement in any manner.

EXHIBIT D

- B. The parties to this Agreement mutually agree that if the Congress does not appropriate sufficient funds for the HOME Program, the Department, at its sole discretion, either may amend the Agreement to reflect any reduction in funds, or it may unilaterally cancel the Agreement with fourteen (14) days' written notice to the HOME Recipient.
- C. The Department may terminate this Agreement at any time for cause by giving fourteen (14) days' written notice to the HOME Recipient. Cause shall consist of any violation of the HOME requirements; any terms and/or special conditions of this Agreement; upon the request of HUD; unreasonably low rate of expenditure or, upon a reduction in, restriction on, or elimination of the Department's expenditure authority by any governmental authority.
- D. Unless otherwise approved by the Department in writing, upon termination or cancellation of this Agreement, the HOME Recipient shall complete all Work in progress and terminate any other activities that were to be paid for with HOME funds. Any unexpended funds received by the HOME Recipient shall be returned to the Department within fourteen (14) days of the Notice of Termination or Notice of Cancellation.

3. Affordability

- A. The HOME Recipient shall ensure all assisted homebuyer housing meets the minimum affordability period requirements as specified in 24 Code of Federal Regulations (hereinafter "CFR") Part 92.254 and State HOME Regulation 8206.1(b)(3), as applicable as shown below. The HOME funds for activities that do not meet these affordability requirements are subject to recapture by the Department.

Homebuyer Activities:

Amount of HOME Assistance Per Unit	Federal Minimum Period of Affordability (in Years)	State Minimum Period of Affordability (in Years)
More than \$40,000	15	15
\$15,000 to \$40,000	10	10
Under \$15,000	5	5

EXHIBIT D

B. **Maximum Per Unit Subsidy Amount and Subsidy Layering, as applicable**

In accordance with 24 CFR Part 92.250 and Section 8207 of the State HOME Regulations, the HOME Recipient shall demonstrate to the Department, in a format identified by the Department, that the amount of HOME funds invested on a per-unit basis shall not exceed the limits established by HUD federal standard that apply to the area where the housing is located, and that the HOME funds, in combination with other financing and assistance, are not more than is necessary to provide quality affordable housing that is financially viable for the required federal period of affordability in 24 CFR Part 92.252, and will not provide a profit or return on the owner's or developer's investment that exceeds permitted developer fee for that project pursuant to Department requirements. In addition, projects will be evaluated by the Department pursuant to the applicable requirements of 24 CFR Part 92.250(b) and Sections 8211, 8212, and 8212.2 of the State HOME regulations. The rental property acquisition price shall be determined through an appraisal and any applicable Department underwriting standards.

The HOME Recipient shall provide a formal certification concerning the governmental assistance provided or to be provided to a project. If no such governmental assistance is to be provided at the time of the application or in the future, the HOME Recipient shall certify to that fact. The HOME Recipient shall also certify that should other governmental assistance be sought in the future; the Department shall be promptly notified. Activities assisted under this Agreement are subject to the underwriting and subsidy layering requirements established by the Department for each activity pursuant to the most recently amended requirements of 24 CFR Parts 92.250 and 92.254.

C. **Income Determination**

Households assisted under this Agreement must meet the income determination requirements of 24 CFR Part 92.203, including but not limited to the requirement to examine at least two months' source documentation evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) when determining household income. In meeting these requirements, the income determination rules under 24 CFR Part 5 shall be used, including the Part 5 definition of income.

EXHIBIT D

4. Litigation

The HOME Recipient shall notify the Department *immediately* of any claim or action undertaken by or against it, which affects or may affect this Agreement, the project, or the Department, and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

5. Waivers

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the Department to enforce at any time the provisions of this Agreement, or to require at any time performance by the HOME Recipient of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the Department to enforce these provisions. All waivers by the Department must be in writing and signed by an authorized official thereof in order to be effective.

6. HOME Recipient's Application for Funds

- A. HOME Recipient has submitted to the Department an Application for funding under the HOME Program. The Department is entering into this Agreement based on, and in substantial reliance upon, HOME Recipient's facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by the Department in writing. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. HOME Recipient warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct and complete to the best of HOME Recipient's knowledge, both when made and at the time of its execution of this Agreement. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete or misleading in such a manner that would substantially affect the Department's approval, disbursement, or monitoring of the funding and the HOME loans and grants or activities governed by this Agreement, then the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof. All representations and warranties of the HOME Recipient shall indefinitely survive the expiration or earlier termination of this Agreement.

EXHIBIT D

7. **Federal and State Laws and Regulations**

The HOME Recipient agrees to comply with all federal laws and regulations applicable to the HOME Program, including any federal Uniform Administrative Requirements of 24 CFR Part 200 and all applicable HUD rules and regulations (including, without limitation, the HOME Grant-Based Accounting Interim Rule dated December 2, 2016, and any final rule related thereto).

8. **Property Standards**

The HOME Recipient shall ensure that all housing units meet the property standards in 24 CFR Part 92.251.

Manufactured Housing

- 1) Construction of all manufactured housing including manufactured housing that replaces an existing substandard unit under the definition of "reconstruction" at 24 CFR Part 92.2 must meet the Manufactured Home Construction and Safety Standards codified at 24 CFR Part 3280. These standards preempt state and local codes, which are not identical to the federal standards for the new construction of manufactured housing. In addition, HOME funds provided to assist manufactured housing units must comply with other applicable state and local laws or codes.
- 2) All new manufactured housing and all manufactured housing that replaces an existing substandard unit under the definition of "reconstruction" must be on a permanent foundation that meets the requirements for foundation systems as set forth in 24 CFR Part 203.43(c)(i). All new manufactured housing and all manufactured housing that replaces an existing substandard unit under the definition of "reconstruction", must, at the time of project completion, be connected to permanent utility hook-ups and be located on land that is owned by the manufactured housing unit owner or land for which the manufactured housing owner has a lease for a period at least equal to the applicable period of affordability.
- 3) In HOME-funded rehabilitation of existing manufactured housing, the foundation and anchoring must meet all applicable state and local codes, ordinances, and requirements or as in the absence of local or state codes, the Model Manufactured Home Installation Standards at 24 CFR Part 3285. Manufactured housing that is rehabilitated using HOME funds must meet the property standards requirements for rental rehabilitation projects, as applicable. The Department or another qualified third party shall document this compliance in accordance with inspection procedures established pursuant to 24 CFR Part 92.251, as applicable.

EXHIBIT D

9. **Financial Accountability Standards**

The HOME Recipient shall comply with the financial accountability standards set forth in 2 CFR Part 200. The HOME Recipient shall confirm compliance by submitting to the Department any one of the following:

- A. A notarized statement by the HOME Recipient's Executive Director or Chief Financial Officer; or
- B. A certification from a certified public accountant; or
- C. A HUD-approved audit summary.

10. **Procurement Standards**

The HOME Recipient shall establish procurement procedures to ensure that materials and services are obtained in a cost-effective manner. When procuring for services, including but not limited to, architectural, engineering, surveying, consulting firms, title companies, or general contractors, that are to be provided under, or a part of, this Agreement, the HOME Recipient shall comply at a minimum with the procurement standards at 2 CFR Parts 200.317-326. The awarding of contracts shall also comply with the conflict of interest provisions of 24 CFR Part 92.356. In keeping with the aforementioned requirements, subcontractors who are hired by a HOME Recipient to perform specific administrative tasks and/or administer the local HOME program cannot also be the developers and/or owners of a HOME-assisted program or project unless approved in writing in advance by HUD.

11. **Written Agreements**

The HOME recipient shall enter into a written agreement that complies with the provisions of 24 CFR Part 92.504 with any other entity or individual to which it disburses HOME funds. This Agreement must be executed prior to providing the HOME funds.

All agreements, instruments and documents executed by or entered into by the HOME Recipient or the borrower, if the HOME Recipient is not the borrower, which materially affect the construction, refinancing, acquisition, operation, ownership, or maintenance of the project shall be subject to the written approval of the Department.

EXHIBIT D

12. **Project Requirements**

The HOME Recipient shall comply with 24 CFR Part 92, Subpart F as applicable, in accordance with the type of project assisted.

A. **Fees, as applicable**

Pursuant to 24 CFR Part 92.214, fees such as processing fees, inspection fees, or other fees related to the cost of administering HOME funds cannot be charged to low-income beneficiaries except such reasonable and customary fees that are expressly authorized by the Department pursuant to the requirements of this section.

Pursuant to 24 CFR Part 92.206 other staff and overhead costs directly related to carrying out the project, such as work specifications preparation, loan processing inspections, lead-based paint evaluations (visual assessments, inspections and risk assessments), and other services related to assisting potential owners, tenants and homebuyers cannot be charged to individual households. These costs may be charged to the project as Activity Delivery Costs for projects assisted with HOME funds or they may be charged as administrative and planning costs under 24 CFR Part 92.207, not to exceed the applicable limits specified in the NOFA. Project-related soft costs incurred in assisting households who do not become HOME beneficiaries are eligible administrative and planning costs under this Part.

B. **Providing Additional HOME Funds to a Project**

Housing may be re-assisted by the HOME Program in accordance with any of the following: upon expiration of applicable federal affordability period, or within the exception detailed under 24 CFR Part 92.214 (a)(6), or 24 CFR Part 92.502. Housing may also be re-assisted as permitted by federal waiver.

C. **Repayment of Funds**

If the HOME Recipient either:

- 1) does not complete a project by the date in Exhibit E, Section 3.A; or
- 2) before the date in Exhibit E, Section 3.A fails to expend any portion of the funds the Department awarded to it, pursuant to the requirements applicable to the award of HOME funds granted herein, then the HOME Recipient shall:

EXHIBIT D

- (a) repay to the Department any HOME funds disbursed on an incomplete rehabilitation project,
- (b) forfeit and have no further rights or claim to any other remaining herein-granted HOME award funds, and
- (c) consent to and facilitate as necessary the Department's use of all the foregoing referenced funds for any purpose, including as may be necessary to satisfy any Department obligation regarding repayment of those funds to the state's HOME Investment Trust Fund in accordance with 24 CFR Part 92.503(b).

For example, if a HOME Recipient receives a HOME grant of \$1,000,000, but has disbursed only \$500,000 by the expenditure deadline referenced in this Standard Agreement (Exhibit E, Section 3.A), and has timely completed the finished projects in a manner that satisfies all applicable requirements for the granted award funds, then only the remaining unused \$500,000 portion of funds must be disencumbered and/or returned to the Department.

However, in the situation where a HOME Recipient receives a HOME grant and the HOME Recipient has not completed a project by the expenditure deadline as stated in the Standard Agreement (Exhibit E, Section 2.A) in a manner that satisfies all applicable requirements, the amounts previously disbursed under this agreement for that project must be repaid to the Department.

13. Equal Opportunity Requirements and Responsibilities

A. **Executive Order 11063 (1962)**

This Order prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

B. **Executive Order 12892 (1994), as amended**

This Order requires federal agencies to affirmatively further fair housing in their programs and activities.

C. **The Architectural Barriers Act of 1968, as amended at 42 United States Code (hereinafter "U.S.C.") § 4151, et seq.**

EXHIBIT D

This Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped persons.

D. **Executive Order 12898, Environmental Justice (1994)**

This Order requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.

E. **Affirmative Marketing**

For homebuyer projects and rental projects having five (5) or more HOME-assisted units, the HOME Recipient shall adopt and follow affirmative marketing procedures that provide information, through the implementation of an outreach-marketing program, to attract all eligible persons in the area to the HOME housing without regard to race, color, national origin, sex, religion, familial status or disability. This affirmative marketing includes, but is not limited to, a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, as required by 24 CFR Part 92.351.

These affirmative marketing procedures shall be approved by the Department in accordance with the requirements of 24 CFR Part 92.351. If the Department has permitted the project owner to limit tenant eligibility or to have a tenant preference in accordance with 24 CFR Part 92.253(d)(3), the affirmative marketing procedures must apply in the context of the limited/preferred tenant eligibility for the project, and the project must market widely in an effort to reach all persons in the market area who may qualify for the limited/preferred tenant eligibility.

F. **Tenant Protections and Selection**

- 1) Pursuant to 24 CFR Part 92.253, there must be a written lease between the tenant and the owner of rental housing assisted with HOME funds that is for a period of not less than one year, unless by mutual agreement between the tenant and the owner, a shorter period is specified.
- 2) The lease must not contain any of the prohibited lease terms in 24 CFR Part 92.253(b).

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- 3) Tenant leases may be terminated only pursuant to the terms of 24 CFR Part 92.253(c).
- 4) Preferences for special needs populations in HOME-assisted housing must be approved by the Department in accordance with the terms of 24 CFR Part 92.253(d)(3).

G. **Section 504 of the Rehabilitation Act of 1973 and the "504 Coordinator"**

The HOME Recipient agrees to implement the Rehabilitation Act of 1973, as amended, and its regulations, 24 CFR Part 8. For HOME Recipients with fifteen (15) or more permanent, full-or part-time employees, this includes but is not limited to, the designation of a specific person charged with local enforcement of this Act, as the "504 Coordinator".

H. **The Civil Rights and Age Discrimination Acts Assurances**

During the performance of this Agreement, the HOME Recipient assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, national origin, sex, age, handicap, familial status, religion, or belief, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 U.S.C. § 3601-20) and all implementing regulations, and the Age Discrimination Act of 1975 and all implementing regulations.

I. **Section 3 Compliance under 24 CFR Part 75**

The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

Pursuant to 24 CFR Part 75.3(a)(2):

- (i) *Section 3 projects* means housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a threshold of \$200,000. The threshold is \$100,000 where the assistance is from the Lead Hazard Control and Healthy Homes programs, as authorized by Sections 501 or 502 of the Housing and Urban Development Act of 1970

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(12 U.S.C. § 1701z-1 or 1701z-2), the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4801 *et seq.*); and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. § 4851 *et seq.*). The project is the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing.

- (ii) The Secretary must update the thresholds provided in paragraph (a)(2)(i) of this section not less than once every 5 years based on a national construction cost inflation factor through Federal Register notice not subject to public comment. When the Secretary finds it is warranted to ensure compliance with Section 3, the Secretary may adjust, regardless of the national construction cost factor, such thresholds through Federal Register notice, subject to public comment.
- (iii) The requirements in this part apply to an entire Section 3 project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance.

1) **Definitions:**

Contractor means any entity entering into a contract with:

- (1) A recipient to perform work in connection with the expenditure of public housing financial assistance or for work in connection with a Section 3 project; or
- (2) A subrecipient for work in connection with a Section 3 project.

Labor hours means the number of paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.

Low-income person means a person as defined in Section 3(b)(2) of the 1937 Act.

Material supply contracts means contracts for the purchase of products and materials, including, but not limited to, lumber, drywall, wiring, concrete, pipes, toilets, sinks, carpets, and office supplies.

Professional services means non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services.

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Public housing financial assistance means assistance as defined in § 75.3(a)(1).

Public housing project is defined in 24 CFR 905.108.

Recipient means any entity that receives directly from HUD public housing financial assistance or housing and community development assistance that funds Section 3 projects, including, but not limited to, any State, local government, instrumentality, PHA, or other public agency, public or private nonprofit organization.

Section 3 means Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. § 1701u).

Section 3 business concern means:

- (1) A business concern meeting at least one of the following criteria, documented within the last six-month period:
 - (i) It is at least 51 percent owned and controlled by low- or very low-income persons;
 - (ii) Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
 - (iii) It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.
- (2) The status of a Section 3 business concern shall not be negatively affected by a prior arrest or conviction of its owner(s) or employees.
- (3) Nothing in this part shall be construed to require the contracting or subcontracting of a Section 3 business concern. Section 3 business concerns are not exempt from meeting the specifications of the contract.

Section 3 project means a project defined in § 75.3(a)(2).

Section 3 worker means:

- (1) Any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

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- (i) The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
 - (ii) The worker is employed by a Section 3 business concern.
 - (iii) The worker is a YouthBuild participant.
- (2) The status of a Section 3 worker shall not be negatively affected by a prior arrest or conviction.
 - (3) Nothing in this part shall be construed to require the employment of someone who meets this definition of a Section 3 worker. Section 3 workers are not exempt from meeting the qualifications of the position to be filled.

Section 8-assisted housing refers to housing receiving project-based rental assistance or tenant-based assistance under Section 8 of the 1937 Act.

Service area or the neighborhood of the project means an area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.

Small PHA means a public housing authority that manages or operates fewer than 250 public housing units.

Subcontractor means any entity that has a contract with a contractor to undertake a portion of the contractor's obligation to perform work in connection with the expenditure of public housing financial assistance or for a Section 3 project.

Subrecipient has the meaning provided in the applicable program regulations or in 2 CFR 200.93.

Targeted Section 3 worker has the meanings provided in §§ 75.11, 75.21, or 75.29, and does not exclude an individual that has a prior arrest or conviction.

Very low-income person means the definition for this term set forth in section 3(b)(2) of the 1937 Act.

YouthBuild programs refers to YouthBuild programs receiving assistance under the Workforce Innovation and Opportunity Act (29 U.S.C. § 3226).

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2) **Benchmarks**

The current benchmarks for all projects that meet the criteria to be considered a Section 3 project is to the greatest extent possible 25% of all labor hours worked shall be performed by Section 3 eligible workers and at least 5% of the 25% be targeted section 3 eligible workers.

3) **Requirements**

(a) Employment and training.

(1) To the greatest extent feasible, and consistent with existing Federal, state, and local laws and regulations, recipients covered by this subpart shall ensure that employment and training opportunities arising in connection with Section 3 projects are provided to Section 3 workers within the metropolitan area (or nonmetropolitan county) in which the project is located.

(2) Where feasible, priority for opportunities and training described in paragraph (a)(1) of this section should be given to:

(i) Section 3 workers residing within the service area or the neighborhood of the project, and

(ii) Participants in YouthBuild programs.

(b) Contracting.

(1) To the greatest extent feasible, and consistent with existing Federal, state, and local laws and regulations, recipients covered by this subpart shall ensure contracts for work awarded in connection with Section 3 projects are provided to business concerns that provide economic opportunities to Section 3 workers residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

(2) Where feasible, priority for contracting opportunities described in paragraph (b)(1) of this section should be given to:

(i) Section 3 business concerns that provide economic opportunities to Section 3 workers residing within the service area or the neighborhood of the project, and

(ii) YouthBuild programs.

4) **Reporting**

(a) Reporting of labor hours.

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(1) For Section 3 projects, recipients must report in a manner prescribed by HUD:

- (i) The total number of labor hours worked;
- (ii) The total number of labor hours worked by Section 3 workers; and
- (iii) The total number of labor hours worked by Targeted Section 3 workers.

(2) Section 3 workers' and Targeted Section 3 workers' labor hours may be counted for five years from when their status as a Section 3 worker or Targeted Section 3 worker is established pursuant to § 75.31.

(3) The labor hours reported under paragraph (a)(1) of this section must include the total number of labor hours worked on a Section 3 project, including labor hours worked by any subrecipients, contractors and subcontractors that the recipient is required, or elects pursuant to paragraph (a)(4) of this section, to report.

(4) Recipients reporting under this section, as well as subrecipients, contractors and subcontractors who report to recipients, may report labor hours by Section 3 workers, under paragraph (a)(1)(ii) of this section, and labor hours by Targeted Section 3 workers, under paragraph (a)(1)(iii) of this section, from professional services without including labor hours from professional services in the total number of labor hours worked under paragraph (a)(1)(i) of this section. If a contract covers both professional services and other work and the recipient or contractor or subcontractor chooses not to report labor hours from professional services, the labor hours under the contract that are not from professional services must still be reported.

(5) Recipients may report their own labor hours or that of a subrecipient, contractor, or subcontractor based on the employer's good faith assessment of the labor hours of a full-time or part-time employee informed by the employer's existing salary or time and attendance based payroll systems, unless the project or activity is otherwise subject to requirements specifying time and attendance reporting.

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- (b) Additional reporting if Section 3 benchmarks are not met. If the recipient's reporting under paragraph (a) of this section indicates that the recipient has not met the Section 3 benchmarks described in § 75.23, the recipient must report in a form prescribed by HUD on the qualitative nature of its activities and those its contractors and subcontractors pursued. Such qualitative efforts may, for example, include but are not limited to the following:

If the benchmarks are not met for Section 3 compliance, the Contractor must document their efforts to attract and employ workers that meet section 3 eligibility requirements. Below is a sample list of some of the actions a contractor could take to demonstrate their attempts. Documentation is required so support the actions.

- (1) Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
- (2) Provided training or apprenticeship opportunities.
- (3) Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
- (4) Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
- (5) Held one or more job fairs.
- (6) Provided or referred Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare).
- (7) Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- (8) Assisted Section 3 workers to obtain financial literacy training and/or coaching.
- (9) Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
- (10) Provided technical assistance to help Section 3 business concerns understand and bid on contracts.

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(11) Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.

(12) Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.

(13) Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.

(14) Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.

J. **Assurance of Compliance with Requirements Placed on Construction Contracts of \$10,000 or more.**

All solicitations for bids and all construction contracts and subcontracts of \$10,000 or more issued by the HOME Recipient are required to include the following:

- 1) The Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (Executive Order 11246) The HOME Recipient furthermore agrees to insert the appropriate Goals and Timetables issued by the U.S. Department of Labor in such contracts and subcontracts as required by Executive Order 11246;
- 2) The Standard Equal Opportunity Clause (41 CFR Part 60 - 1.4); and,
- 3) The Standard Equal Employment Opportunity Construction Contract Specifications (41 CFR Part 60 - 4.3).

K. **Assurance of Compliance with the “Violence Against Women Reauthorization Act of 2013” (hereinafter “VAWA”) (S.47 - 113th Congress (2013-2014)) (as amended or reauthorized) Title VI - Safe Homes for Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking – Sec. 601-603. See also 81 CFR Part 80724.**

VAWA provides housing protections for survivors of domestic and dating violence, sexual assault, and stalking when it comes to finding and keeping a home they can feel safe in.

VAWA applies for all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation, and which must be applied consistently with all nondiscrimination and fair

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housing requirements. VAWA now expands housing protections to HUD programs beyond HUD's public housing program and HUD's tenant-based and project-based Section 8 programs. VAWA now provides enhanced protections and options for victims of domestic violence, dating violence, sexual assault, and stalking.

During the performance of this Agreement, the HOME Recipient shall ensure that all requirements of VAWA are complied with, including but not limited to:

- 1) Domestic Violence survivors are not denied assistance as an applicant, or evicted or have assistance terminated as a tenant, because the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, and stalking.
- 2) It will implement an 'emergency transfer plan', which allows for domestic violence survivors to move to another safe and available unit if they fear for their life and safety.
- 3) It will provide "Protections against denials, terminations, and evictions that directly result from being a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy."
- 4) It will implement a 'Low-barrier certification process' where a domestic violence survivor need only to self-certify in order to document the domestic violence, dating violence, sexual assault, or stalking, ensuring third party documentation does not cause a barrier in a survivor expressing their rights and receiving the protections needed to keep themselves safe.

14. Environmental Review

The HOME Recipient shall comply with the National Environmental Policy Act (NEPA) contained in 42 U.S.C. § 4321-4347 and the implementing regulations at 24 CFR Parts 50 and 58 as they both may be amended from time to time. No actions by any party (including the HOME Recipient, the developer, owner, or sponsor) shall be undertaken for any activity that would have an adverse environmental impact or limit the choice of reasonable alternatives under 24 CFR Part 58.22 until HUD or the Department has issued an environmental clearance.

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The HOME Recipient understands and agrees that this Agreement does not constitute a commitment of funds or site approval, and the commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the Department of an approval of the request for release of funds and certification from HUD or the Department under 24 CFR Part 58. The provision of any funds to the project is expressly conditioned on the Department's determination to proceed with, modify or cancel the project based on the results of the environmental review.

15. Labor Standards

Provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. § 3701, et seq. (with implementing regulations at 29 CFR Part 5 and 29 CFR Part 1926), and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The HOME Recipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. § 874, et seq. and 40 U.S.C. § 276(c) with implementing regulations at 29 CFR Part 3). The HOME Recipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Department for review upon request.

16. Prevailing Wage

A. **Federal Requirements**

The federal Davis Bacon prevailing wage law does not apply in the following three programs: 1) First-Time Homebuyer Program; (2) Owner-Occupied Rehabilitation Program; and (3) Tenant-Based Rental Assistance Program.

The Work in this Agreement does not include any "First-time homebuyer projects, as defined in California Code of Regulations Title 25, Section 8201.

Consequently, there will be no contracts for new construction or rehabilitation projects with 12 or more HOME-assisted units that would trigger the federal Davis Bacon prevailing wage law.

B. **State Requirements**

State Prevailing law Requirements are not applicable pursuant to State Labor Code §1720(c)(5)(C), because assistance is provided to a household as either mortgage assistance, down-payment assistance, or for the rehabilitation of a single-family home.

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17. **Displacement, Relocation, and Acquisition**

The HOME Recipient shall comply with the federal displacement, relocation, and real property acquisition rules governing the HOME Program, which are contained in the Uniform Relocation Act, with implementing regulations at 49 CFR Part 24; and Section 104 (d) of the Housing and Community Development Act of 1974, as amended, with implementing regulation at 24 CFR Part 92, and applicable State HOME Regulations.

18. **Lead-Based Paint Hazards**

Assistance provided under this Agreement is subject to the Lead-Based Paint Poisoning Prevention Act and subsequent amendments; and to HUD Lead-Based Paint Regulations found at 24 CFR Part 35, et seq.

19. **Conflicts of Interest**

The HOME Recipient shall comply with the conflict of interest provisions in 24 CFR Part 92.504(c)(3)(v)(E) and 24 CFR Part 92.356(f) for the award of rental units; 24 CFR Part 92.356(b)-(e) for the award of contracts; and 24 CFR Part 92.356(f) for the award of homebuyer units. Section 24 CFR Part 92.356 prohibits, in part, that any employees, agents, consultants, officers or elected or appointed officials, "who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted 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 business or immediate family ties, during their tenure or for one year thereafter."

20. **Interest of Certain Federal Officials**

No member of or delegate to the Congress of the United States, and no resident commissioner, shall be a party to this Agreement or receive any benefit hereunder.

21. **Certification Regarding Lobbying (Byrd Amendment)**

- A. The HOME Recipient shall require that the language of the certification be contained in subpart C below, included in the award documents for all subawards (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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- B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction 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 \$10,000 and no more than \$100,000 for such failure.
- C. "The undersigned certifies, to the best of his or her knowledge and belief, that:
- 1) No federal appropriated funds have been paid or shall be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an 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, 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 federally appropriated funds have been paid or shall be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions."

22. Bonus or Commission Prohibition

The assistance provided under this Agreement shall not be used in the payment of any bonus or commission for the purpose of obtaining Department approval of the application for such assistance, or Department approval of the applications for additional assistance, or any other approval or concurrence of the Department required under this Agreement, Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, or state regulations with respect thereto; provided, however, that reasonable fees for bona fide technical, consultant, managerial or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as program costs.

23. Leverage and Matching Funds

The HOME Recipient shall provide leverage and matching funds, in an amount not less than that specified in Exhibit A, Paragraph 6.B of this Agreement, if any.

HOME Investment Partnerships Program (HOME)

Program Activities

NOFA Date: 10/31/2019

Approval Date: 7/30/2021

Prep. Date: 08/27/2021

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24. Contractors and Subcontractors - Department Requirements

The Department reserves the right to review and approve any contracts or agreements executed by the HOME Recipient related to any HOME-assisted projects.

25. Contractors and Subcontractors - Federal Requirements

- A. As a condition of receipt of federal funds under this Agreement, the HOME Recipient and all its contractors and their subcontractors are required to provide the certification set forth below in Paragraph D and include this certification in their contracts.
- B. This certification is required by the federal government and contains terms defined in Executive Order 12549, a copy of which is available from the Department. For purposes of this Agreement:
- 1) “prospective lower tier participant” refers to the HOME Recipient and any other party or person that shall receive funds from this Agreement, such as general contractors and their subcontractors;
 - 2) “lower tier transaction” refers to contracts let by the HOME Recipient or HOME Recipient’s contractors utilizing funds provided through this Agreement; and
 - 3) “this proposal” refers to the HOME Recipient’s HOME application and any bid or application from a prospective lower tier participant.
- C. By signing this Agreement, the HOME Recipient is providing the certification set forth below. The HOME Recipient shall provide immediate written notice to the Department if at any time the HOME Recipient learns that its certification was erroneous when submitted or has become erroneous.
- D. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:
- 1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

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- 2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.
- E. By signing this Agreement, the HOME Recipient agrees that it shall not knowingly enter into any lower tier transaction with a person or entity that is proposed for debarment under 48 CFR 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction.
- F. By signing this Agreement, the HOME Recipient agrees that it shall include the above certification in all lower tier transactions to which it is a part; and it shall require that each of its contractors include the certification in their subcontracts.

26. **Faith-Based Activities**

The HOME Recipient shall comply with the requirements of 24 CFR Part 92.257 and 24 CFR Part 5.109, which provide, in part, that "Organizations that are directly funded under the HOME Program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under this part." HOME funds and activities must be separate in time and location from explicitly religious activities.

27. **Insurance**

- A. The HOME Recipient shall have and maintain in full force and effect during the term of this Agreement:
 - 1) Comprehensive general liability insurance in the amount of not less than one million dollars (\$1,000,000);
 - 2) Worker's compensation insurance; and,
 - 3) Other forms of insurance, at such levels, as may be determined by the HOME Recipient and the Department to be necessary for specific components of the Work listed in Exhibit E.
- B. The HOME Recipient agrees to furnish satisfactory evidence of the above listed insurance coverage to the Department prior to the commencement of any work and thereafter from time to time upon the Department's request. Insurance coverage shall not be canceled or changed unless written notice is sent to the Department thirty (30) days prior to the effective date of the action. The Department reserves the right to waive or modify these insurance coverage

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requirements upon demonstration of cause satisfactory to the Department, and contingent upon the HOME Recipient providing evidence of an alternative to conventional insurance sufficient to provide equivalent protection.

28. Records

- A. The HOME Recipient shall maintain necessary and sufficient recordkeeping for the program, project, financial, program administration, and federal requirement records specified in 24 CFR Part 92.508, for review and inspection by the Department.
- B. All records specified in 24 CFR Part 92.508 shall be retained for the time periods specified in section 30 below. These records include, but are not limited to, the following:
 - 1) a full description of each project assisted with HOME funds, including the location (address of each unit), form of HOME assistance, and the units or tenants assisted with HOME funds;
 - 2) the source and application of funds for each project, including supporting documentation in accordance with 24 CFR Part 85.20; and records to document the eligibility and permissibility of the project costs;
 - 3) records demonstrating that each project meets the minimum per-unit subsidy amount of 24 CFR Part 92.205(c), the maximum per-unit subsidy amount of 24 CFR Part 92.250(a), and the subsidy layering, and underwriting evaluation adopted in accordance with 24 CFR Part 92.250(b);
 - 4) records (e.g., inspection reports) demonstrating that each project meets the property standards of 24 CFR Part 92.251 at project completion;
 - 5) records demonstrating that each tenant-based rental assistance project meets the written tenant selection policies and criteria of 92.209(c), including any targeting requirements, the rent reasonableness requirements of 24 CFR Part 92.209(c), including any targeting requirements, the rent reasonableness requirements of 24 CFR Part 92.209(f), the maximum subsidy provisions of 24 CFR Part 92.209(h), property inspection reports and calculation of the HOME subsidy, and
 - 6) records (written agreements) demonstrating compliance with the written agreement requirements in 24 CFR Part 92.504.

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- C. If so, directed by the Department upon termination of this Agreement, the HOME Recipient shall cause all records, accounts, documentation and all other materials relevant to the Work to be delivered to the Department as depository.

29. Reporting

- A. The HOME Recipient shall submit to the Department, quarterly, a HOME “Quarterly Performance Report” and a HOME “Quarterly Program Income Statement Report” on forms provided by the Department. Unless otherwise waived in writing by the Department, such reporting shall commence after the first quarter in which the executed Agreement has been in effect for at least 30 days. Each report must be submitted by the end of the month following the end of each quarter.
- B. Upon project completion, and annually thereafter during the required period of affordability, the HOME Recipient shall submit on an annual basis to the Department all HOME monitoring documentation necessary to ensure that HOME Recipients are in continued compliance with federal and state regulations. Such documentation requirements and the annual submission deadline shall be provided by the Department.
- C. Pursuant to 24 CFR Part 92.504, the HOME Recipient of rental housing must annually collect from the project owner information on rents and occupancy of HOME-assisted units to demonstrate compliance with 24 CFR Part 92.252. If the rental housing project has floating HOME units, the owner must provide the HOME Recipient with information regarding unit substitution and filling vacancies so that the project remains in compliance with HOME rental occupancy requirements.
- D. Upon acceptance of the Project Completion Report in IDIS and throughout the affordability period, the HOME Recipient shall submit on July 1, and no later than July 31, an Annual Performance Report on a form provided by the Department.

30. Remedies for Noncompliance and Sanctions

The Department is not limited to specified remedies listed for non-compliance and sanctions in the HOME Development Agreement and Regulatory Agreement.

31. Inspections

- A. Before completing a project in IDIS, the Department or a qualified third party shall perform an onsite inspection of HOME-assisted housing to determine that all

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contracted work has been completed and that the project complies with the property standards of 24 CFR Part 92.251. During the period of affordability, the Department or a qualified third party shall perform onsite inspections of HOME-assisted rental housing to determine compliance with the property standards of 24 CFR Part 92.251 and to verify the information submitted by the owners in accordance with the requirements of 24 CFR Part 92.252. The inspections must be in accordance with the inspection procedures that the Department shall establish to meet the inspection requirements of 24 CFR Part 92.251. The onsite inspections must occur within twelve (12) months after project completion and at least once every three (3) years thereafter during the period of affordability.

- 1) If there are observed deficiencies for any of the inspectable items in the property standards established by the Department, in accordance with the inspection requirements of 24 CFR Part 92.251, a follow-up onsite inspection to verify that deficiencies are corrected shall occur within twelve (12) months. The Department may establish a list of non-hazardous deficiencies for which correction can be verified by third-party documentation (e.g., paid invoice for work order) rather than re-inspection. Health and safety deficiencies must be corrected immediately, in accordance with 24 CFR Part 92.251. The Department shall adopt a more frequent inspection schedule for properties that have been found to have health and safety deficiencies.
 - 2) The property owner must annually certify to the Department that each building and all HOME-assisted units in the project are suitable for occupancy, taking into account state and local health, safety, and other applicable codes, ordinances, and requirements, and the ongoing property standards established by the Department to meet the requirements of 24 CFR Part 92.251.
 - 3) Inspections must be based on a statistically-valid sample of units appropriate for the size of the HOME-assisted project, as set forth by HUD through notice.
- B. The Department reserves the right to inspect the property at any time during the period of construction and throughout the period of affordability.
- C. During the period of affordability, the Department shall examine at least annually the financial condition of HOME-assisted rental projects with ten units or more to determine the continued financial viability of the housing and must take actions to correct problems, to the extent feasible.

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32. Project Site

Notwithstanding any provision in this Agreement, the parties hereto further agree and acknowledge that this Agreement does not constitute a commitment of funds or approval of a project site, and that such a commitment of funds or an approval of a project site may occur only upon satisfactory completion of environmental review and receipt by the HOME Recipient of a signed Authority to Use Grant Funds .

33. Security Documents and Lien Agreements

Prior to the initial disbursement of any HOME funds encumbered by this Agreement, the documents described in this paragraph shall be entered into, executed and, where appropriate, acknowledged and recorded. The documents described in subsections "A" through "E" shall be provided by the Department.

The HOME Recipient shall comply with, and fulfill its obligations under, all the applicable documents called for in this Agreement. Any breach or violation by the HOME Recipient or HOME Recipient's successor in interest of any provision of any of the required documents shall constitute a breach or violation of this Agreement and shall be subject to the remedies provided herein.

- A. HOME funds shall be disbursed in the form of loans except for funds disbursed
- B. for the purposes set forth in the Department HOME Regulations Section 8205(b)(2)(D), which shall be provided in the form of a grant. The HOME Recipient shall ensure that all loans made by the HOME Recipient are evidenced by a promissory note, the repayment of which is secured by a deed of trust to be recorded on the property being assisted, or by other security approved by the Department in writing. The HOME Recipient agrees that all said documents shall be executed and where appropriate recorded, prior to disbursement of funds to the project and shall contain the applicable minimum affordability period set forth in 24 CFR Part 92.252 and Section 8208 of the State HOME Regulations for rental housing or 24 CFR Part 92.254 for homeownership, as applicable. If the HOME-assisted rental housing does not meet the minimum affordability period, repayment of HOME funds to the Department is required. HOME-assisted rental housing must continue to meet the affordability requirements as specified therein, regardless of whether HOME funds are repaid.
- C. For owner-occupied housing projects, if HOME funds are to be disbursed prior to acquisition of lots or units by individual homeowners, the promissory note shall be executed by the HOME Recipient in favor of the Department and secured by a blanket deed of trust executed by the fee owner(s) of all lots upon which the project will take place. Said deed shall be recorded in the office of the county

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recorder for the county in which the project will be located and shall have priority over other liens, encumbrances and other matters of record except as may be approved by the Department. At the time individual lots or units are sold to individual buyers, each individual owner-occupant borrower shall enter into a loan agreement setting forth the terms and conditions under which the loan of HOME funds is being made, including those provisions necessary to ensure either that the property being assisted with HOME funds remains affordable, or that HOME funds are recaptured upon sale of the property, as required by 24 CFR Part 92.254.

- D. For rental housing project loans, the promissory note shall be secured by a deed of trust and assignment of rents with power of sale, executed by the owner of the fee estate of the real property upon which the project shall be located naming the Department as beneficiary. If the HOME Recipient has been approved by the Department to receive repayment by Section 8206.1 of Title 25 of the California Code of Regulations, the HOME Recipient shall be designated as the lender and the beneficiary. If the project shall be on a leasehold, the promissory note shall also be secured by a deed of trust and assignment of rents with power of sale recorded in the county in which the project is located and each shall have priority over other liens, encumbrances and other matters of record except as may be approved by the Department.

The HOME Recipient and the borrower, if the HOME Recipient is not the borrower, shall enter into a regulatory agreement with the Department governing the ownership, occupancy, management, maintenance and operation of the project for a period not less than the minimum period of affordability as required by 24 CFR Part 92.252(e). The regulatory agreement, or memorandum thereof, shall be recorded against the borrower's estate in the real property upon which the project is located and, if the borrower's estate is a leasehold, shall also be recorded against the fee estate. The recording shall be in the office of the county recorder for the county in which the project is located and shall constitute a lien on the property upon which the project is located running with the land which shall be binding on all successors in interest, assignees and transferees of the borrower.

- E. Where proceeds of the HOME loan will be used as construction financing, the HOME Recipient and the borrower, if the HOME Recipient is not also the borrower, shall enter into a development agreement with the Department governing the Work to be performed and the use and disbursement of the proceeds of the HOME loan.

EXHIBIT D

- F. The HOME Recipient and/or the borrower, if the HOME Recipient is not also the borrower, shall execute and enter into those additional agreements and documents as the Department may deem reasonable and/or necessary to meet the program requirements and the terms and conditions (including the Special Terms and Conditions set forth in Exhibit E) of this Agreement. Said additional agreements and documents shall be subject to the approval of the Department in its discretion and shall include, but not be limited to:
- 1) A construction contract with the approved general building contractor for the approved work;
 - 2) A Department-approved construction contract addendum with the general building contractor;
 - 3) If applicable, an agreement with a California-licensed architect for approved work;
 - 4) For rental housing projects, a property Management Plan as required by the regulatory agreement; and,
 - 5) Any lender documents required as a result of third-party financing for the project.

34. **Audit/Retention and Inspection of Records**

- A. The HOME Recipient agrees that the Department or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The HOME Recipient agrees to provide the Department or its designee with any relevant information requested and shall permit the Department or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with California Government Code Section 8546.7. The HOME Recipient further agrees to maintain such records for a period of five (5) years after the Department closes its HUD grant. **NOTE: Record retention is based on the Department's grant from HUD and the date it is closed by HUD.** Therefore, the HOME Recipient shall contact the Department for the specific record retention date for this Agreement.

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- B. The HOME Recipient also agrees to include in any contract that it enters into, in an amount exceeding \$10,000, a provision establishing the Department's right to audit the contractor's records and interview their employees. If the HOME Recipient provides HOME funds to for-profit owners or developers or other entity approved by the Department, the HOME Recipient must have a written agreement that includes a provision for meeting the fiscal and audit requirements of this Section. The HOME Recipient shall comply with the caveats and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in California Public Contract Code Section 10115.10.
- C. An expenditure which is not authorized by this Agreement or which cannot be adequately documented shall be disallowed, and funds must be returned to the Department within sixty (60) days of discovery by the HOME Recipient unless the Department approves in writing an alternate plan.
- D. The determination by the Department of the eligibility of any expenditure shall be final.
- E. If requested by the Department pursuant to HOME regulation at Section 8216 of Title 25 of the California Code of Regulations, the HOME Recipient shall cause to be performed a financial audit by an independent certified public accountant.
- 1) The HOME Recipient shall notify the Department of the auditor's name and address immediately after the selection has been made. The contract for audit shall allow access by the Department to the independent auditor's working papers.
 - 2) The HOME Recipient shall submit one copy of all required audit reports to the Department within the earlier of 30 days after receipt of the auditor's report or nine months after the close of the required audit period unless a longer period is agreed to in advance by the Department, to:

Department of Housing and Community Development
Division of Financial Assistance
P.O. Box 952054
Sacramento, CA 94252-2050
ATTN: HOME Long-Term Monitoring
- F. Pursuant to 2 CFR Part 200 Sub-Part F, a HOME recipient who received in excess of \$750,000 in federal funds annually, shall cause to be performed an annual single or program-specific audit conducted for that year by the close of each fiscal year in which this Agreement is in effect, of the following:

EXHIBIT D

- 1) The financial statements and a schedule of federal awards and the auditor's report on the statements and the schedule;
 - 2) A written report of the independent auditor's understanding of the internal control structure and the assessment of control risk;
 - 3) The auditor's report on compliance; and,
 - 4) Other items as stipulated in 2 CFR Part 200 Sub-Part F.
- G. The audit shall be performed by an independent certified public accountant. Selection of an independent audit firm shall be consistent with procurement standards contained in 2 CFR Part 200.
- H. The HOME Recipient shall notify the Department of the auditor's name and address immediately after the selection has been made. The contract for audit shall allow access by the Department to the independent auditor's working papers.
- I. The HOME Recipient shall submit three copies of all required audit reports to the State Controller's Office within the earlier of 30 days after receipt of the auditor's report, nine months after the end of the required audit period, unless a longer period, is agreed to in advance, to:

State Controller's Office
Division of Audits
Financial Audits Bureau/Single Audits Unit
3301 C Street, Suite 700
Sacramento, CA 95816

In addition, the HOME Recipient shall submit one copy of the audit report within the same time frame described in this paragraph to:

Federal Audit Clearinghouse
Bureau of the Census
1201 East Tenth Street
Jeffersonville, IN 47132

- J. The performance of this Agreement by the HOME Recipient shall be subject to examination and audit by the State Auditor pursuant to California Government Code Section 8546.7.

EXHIBIT D

- K. The HOME Recipient is responsible for the completion of any required audits and all costs of preparing audits.
- L. If there are audit findings, the HOME Recipient shall submit a detailed response acceptable to the Department for each audit finding.
- M. The HOME Recipient shall retain all books and records relevant to this Agreement for a minimum of five (5) years after the project completion as evidenced by the certificate of occupancy or submittal of the HUD-required Project Completion Report whichever is later; except that:
- 1) records of individual tenant income verifications, project rents inspections shall be retained for the most recent five (5) year period, until five years after the affordability terminates; and,
 - 2) records relating to any and all audits or litigation relevant to this Agreement shall be retained for five (5) years after the conclusion or resolution of the matter. The state, the Bureau of State Audits, and the Department and/or their representatives shall have unrestricted reasonable access to all locations, books and records for the purpose of monitoring, auditing or otherwise examining said locations, books and records, with or without prior notice.

35. **Signs**

During the construction period of a project, the Department may place, or require to be placed, signs on the property stating that the HOME Program is providing financing. The signs shall indicate in a typeface and size commensurate with its funding that the Department is a source of financing for the project, through the HOME Program.

36. **Special Conditions**

The HOME Recipient agrees to comply with all conditions of this Agreement including the Special Terms and Conditions set forth in Exhibit E, if applicable. These conditions shall be met to the satisfaction of the Department prior to Project Set-Up or disbursement of funds, as appropriate. The HOME Recipient shall ensure that all contractors and/or subcontractors are made aware of and agree to comply with all of the conditions of this Agreement and the applicable federal and state requirements governing the use of HOME funds. Failure to comply with these conditions may result in cancellation of this Agreement pursuant to the terms hereof.

EXHIBIT D

37. Conditional Reservation of Funds

Notwithstanding any provision in this Agreement, the parties hereto agree and acknowledge that this Agreement constitutes a conditional reservation of funds.

38. Federal Property Management Standards

The HOME Recipient shall comply with the HUD property Management standards.

39. HOME Recipient Predevelopment Loan Funds

- A. If HOME funds are provided to the HOME Recipient to finance the costs of obtaining construction loan commitments, architectural plans and specifications, zoning approvals, engineering studies, and legal fees, the HOME Recipient shall demonstrate, to the satisfaction of the Department, that it has, with regard to the project concerned, site control (evidenced by a deed, a sales contract, or an option contract to buy the property), a preliminary financial commitment, and a capable development team or a plan to hire a capable development team.
- B. Repayment of the HOME Recipient predevelopment loan will be made to the Department, or a HOME Recipient as approved by the Department, from construction loan proceeds or another project income. Such repayment may be waived by the Department, in whole or in part, if, in its sole discretion, the Department determines that there are impediments to the project development which are reasonably beyond the control of the HOME Recipient. The HOME Recipient may be required to enter into a predevelopment loan agreement prior to the disbursement of funds. This agreement will detail the use and repayment of funds, and other terms and conditions of the loan.

40. Assignment of Agreement, Assignment of Loan Commitment

- A. This Agreement shall be binding on the parties hereto, their assigns, successors, administrators, executors and other representatives. This Agreement is not assignable, either in whole or in part, without the prior written approval of the Department, except that the HOME Recipient may assign the conditional commitment of funds represented by this Agreement, without further approval of the Department, to a California limited partnership in which the HOME Recipient is the sole managing general partner. Notwithstanding any such assignment, the HOME Recipient shall remain liable for the performance of its obligations under this Agreement.

EXHIBIT D

- B. This Agreement represents a conditional commitment of funds for accomplishment of the Work. This conditional commitment of funds shall not be assigned, in whole or in part, by the HOME Recipient or any other entity which, pursuant to the Application or the description of the Work, anticipates receiving any funds encumbered by this Agreement without the prior express written consent of the Department.
- C. If the HOME Recipient will be the owner during construction of the affordable housing project to be constructed using funds provided pursuant to this Agreement (i.e., the HOME Recipient will be acting as either an “owner” or a “sponsor”), as those all or any portion of this Agreement or the completed Project shall, at a minimum, be conditioned on the following:
- 1) The HOME Recipient is in compliance with this Agreement;
 - 2) The successor in interest to the HOME Recipient agrees to assume all obligations of the HOME Recipient pursuant to this Agreement and the HOME Program;
 - 3) The successor in interest demonstrates to the Department’s satisfaction that it has the capability to own and operate the Project in full compliance with all Program requirements; and,
 - 4) Any terms of the sale, transfer, or conveyance will not threaten the Department’s security or the successor in interest’s ability to comply with all Program requirements.
- D. If the HOME Recipient has or will have a contractual obligation to a property owner, or a lessee under a long-term leasehold, to obtain financing, rehabilitate, or construct an affordable housing project using funds provided under this Agreement (i.e., the HOME Recipient will be acting in the capacity of a “developer” as the term is defined by HUD), Department approval of an assignment of all or any portion of this Agreement including the conditional commitment of funds represented by this Agreement shall, at a minimum, be conditioned on the following:
- 1) The HOME Recipient is in compliance with this Agreement;
 - 2) The property owner or lessee demonstrates to the Department’s satisfaction that it has the capability to own and operate the Project in full compliance with all Program requirements;

EXHIBIT D

- 3) The property owner or lessee agrees to assume all obligations of the HOME Recipient pursuant to this Agreement and the HOME Program which pertain to the ownership and operation of the project, including, but not limited to, execution of security documents and lien agreements; and,
- 4) Any terms of the sale, transfer, or conveyance will not threaten the Department's security or the property owner's or lessee's ability to comply with all applicable HOME Program requirements.

41. Local Account

Unless the Department approves that the HOME Recipient will be retaining funds in a HOME Recipient's local account, matching funds and income resulting from the use of HOME funds (Program Income and Recaptured Funds) shall be forwarded to the Department for deposit to the state's local account. The use of all funds maintained in a local account must comply with 24 CFR Part 92.

42. State Contract Manual Requirements (Section 3.11, Federally Funded Contracts (Rev. 3/03)):

- A. All contracts, except for state construction projects that are funded in whole or in part by the Federal government, must contain a thirty (30) day cancellation clause and the following provisions:
 - 1) It is mutually understood between the parties that this contract may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds to avoid program and fiscal delays that would occur if the contract were executed after that determination was made.
 - 1) This contract is valid and enforceable only if sufficient funds are made available to the state by the United States Government for the purpose of this Program. In addition, this contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this contract in any manner.
 - 2) The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.

EXHIBIT D

- 3) The department has the option to invalidate the contract under the thirty (30) day cancellation clause or to amend the contract to reflect any reduction in funds.
- A. Exemptions from provisions A.1 through A.4 above may be granted by the Department of Finance provided that the director of the state agency can certify in writing that Federal funds are available for the term of the contract.

California Government Code Section 8546.4(e) provides that state agencies receiving Federal funds shall be primarily responsible for arranging for Federally required financial and compliance audits, and shall immediately notify the Director of Finance, the State Auditor, and the State Controller when they are required to obtain Federally required financial and compliance audits.

43. Pet Friendly Housing Act of 2017

Health and Safety Code SEC. 2. Section 50466 require each housing development that is financed on or after January 1, 2018, pursuant to this division, to authorize a resident of the housing development to own or otherwise maintain one or more common household pets within the resident's dwelling unit, subject to applicable state laws and local government ordinances related to public health, animal control, and animal anticruelty.

44. Other Federal Requirements

In accordance with 24 CFR Part 92.350, the following additional federal requirements apply:

- A. The Drug-Free Workplace Act of 1988 (41 U.S.C. 701, et seq.) and HUD's implementing regulations at 2 CFR Part 2429 are applicable to this Agreement.
- B. Homebuyer housing counseling is required by 24 CFR Part 92.254(a)(3), and shall be provided by only organizations and counselors certified by the Secretary under 24 CFR Part 214 to provide housing counseling, consistent with 12 U.S.C. 1701x.

EXHIBIT E

SPECIFIC PROVISIONS AND SPECIAL TERMS AND CONDITIONS

Federal Grant Identification

HUD Grant No: M19-SG060100

CFDA Number: 14.239

Date HUD Grant Agreement Signed: 10/23/2019

The following are specific terms and conditions (referred to as enumerated provision(s) for ease of reference in prior exhibits) and shall inform the references made to specific information not contained in prior exhibits.

1. Provision Ex. A – E.1 (Scope of Work – As referred in Exhibit A, Section 2)

The Work shall consist of:

Type of HOME Activity	Awarded Activity Amount	Total HOME Units
First-Time Homebuyer Program	\$617,175	5
Tenant-Based Rental Assistance Program	\$341,250	12
General Administration	\$24,575	N/A

For the purposes of performing the Work, the Department agrees to provide the amount shown in Exhibit E, Section 2 of this Agreement. In no instance shall the Department be liable for any costs for Work in excess of this amount, nor for any unauthorized or ineligible costs. The HOME Recipient agrees to administer this allocation in accordance with the provisions of 24 Code of Federal Regulations (hereinafter “CFR”) Part 92, and § 8200 through 8220 of Title 25 of the California Code of Regulations.

2. Provision Ex. A – E.2 (Contract Amount – As referred in Exhibit A, Section 3)

As referenced in Exhibit A, the Agreement amount shall be expended as follows:

First-Time Homebuyer Program	\$617,175
Tenant-Based Rental Assistance Program	\$341,250
State Recipient HOME Administration	\$24,575

HOME Investment Partnerships Program (HOME)

Program Activities

NOFA Date: 10/31/2019

Approval Date: 7/30/2021

Prep. Date: 08/27/2021

EXHIBIT E

3. **Provision Ex. A – E.3** (Scope of Work – As referred in Exhibit A, Section 2)

- A. All Program funds shall be expended by October 31, 2024 (see Exhibit A, Section 2)
- B. All Drawdown Requests shall be submitted by December 31, 2024 (see Exhibit A, Section 2)
- C. This Agreement shall expire on October 31, 2039 (see Exhibit A, Section 2)

No payments shall be made for drawdown requests received more than sixty (60) days after the expenditure deadline. Any funds not drawn shall be disencumbered.

4. **Special Terms and Conditions**

The following Special Conditions, if any, are applicable to this Standard Agreement and shall control, notwithstanding anything to the contrary herein:

HOME First-Time Homebuyer Loan Agreement Approval Requirement

The HOME Recipient's First-Time Homebuyer Loan Agreement must be approved in writing by the Department, as an additional General Setup Condition, before the HOME Recipient will be approved to operate its First-Time Homebuyer Program under this grant.

Authority to Contract

The HOME Recipient represents and warrants that it is authorized to execute this Agreement and any amendments to this Agreement. The HOME Recipient is hereby estopped from challenging this Agreement, and any amendments, for lacking authority to execute this Agreement and any amendments.