

HOME AGREEMENT

THIS HOME AGREEMENT ("Agreement") is made this 9th day of June, 2020, by and between the COUNTY OF FRESNO, a political subdivision of the State of California ("County") whose address is 2220 Tulare Street, 6th Floor, Fresno CA 93721 and Self Help Enterprises, Inc., a California non-profit public benefit corporation ("Borrower"), whose address is 8445 W. Elwin Court, Visalia, CA 93290.

WITNESSETH

WHEREAS, the County has been designated as a participating jurisdiction to administer and implement the Federal HOME Investment Partnerships ("HOME") Program activities of the County, in accordance with the Federal HOME regulations, and the laws of the State of California;

WHEREAS, Federal HOME regulations require the County set aside a minimum of fifteen percent (15%) of the County's annual HOME allocation for eligible housing activities that will be owned, developed or sponsored by a qualified Community Housing Development Organization (CHDO);

WHEREAS, the County has determined that Borrower has met the requirements for designation as a County-certified CHDO;

WHEREAS, the general purpose of the HOME Program is to strengthen public-private partnerships, and to expand the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing, for very low-income and low-income households;

WHEREAS, the Borrower has applied to the County for HOME funds and CHDO set aside funds for the Reedley Homeownership Project ("Project") which will consist of the development of ten (10) single family residences that will be affordable to low-income households. The completed development will build sixty-seven (67) single-family residences in multiple phases over four years. These ten HOME-assisted residences will be constructed within the first two phases;

WHEREAS, the Borrower requested a loan of Five Hundred Thirty-Five Thousand Dollars (\$535,000) from the County of Fresno HOME Program to assist with the construction of the first two phases of the Project, that includes a total of twenty (20) unit single family residence development, of which ten (10) units will be funded by and subject to the County's Federal HOME funds ("HOME-

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1 assisted"). The Borrower requests that the HOME funds be used as a construction loan and secondary
2 mortgage financing for eligible homebuyers;

3 WHEREAS, the County has Five Hundred Thirty-Five Thousand Dollars (\$535,000) available
4 from its Federal HOME grant funds to loan to the Borrower for the Project, which will be provided through
5 the CHDO set-aside funds per the Federal HOME regulations;

6 WHEREAS, the County has determined the Borrower has the capacity to develop the Project and
7 the Project has been determined to meet HOME requirements for funding;

8 WHEREAS, the Project will increase the supply of affordable rental housing units in Fresno
9 County for households earning no more than eighty percent (80%) of the Area Median Income (AMI) as
10 reported annually by the U.S. Department of Housing and Urban Development (HUD);

11 WHEREAS, the total estimated Project cost is Four Million, Nine Hundred Twenty Thousand
12 Dollars (\$4,920,000), and the Borrower has or will obtain other funding commitments apart from the
13 County HOME loan to complete the financing for the Project; and

14 WHEREAS, the Project is consistent with the County's Consolidated Plan and the County's
15 General Plan.

16 NOW, THEREFORE, in consideration of their promises as hereinafter set forth, the Borrower and
17 the County agree as follows:

18 I. PROJECT DESCRIPTION, LOCATION, SECURITY, BUILDING REQUIREMENTS AND
19 BUDGET

20 A. DESCRIPTION:

21 1. The Project consists of the acquisition and construction of ten (10) single family
22 residences. The first two phases of the Project will result in the construction of a total of twenty (20)
23 single-family residences, of which ten (10) units shall be HOME-assisted and shall satisfy HOME
24 occupancy requirements for no less than the required HOME Period of Affordability. The Period of
25 Affordability will be twenty (20) years, beginning on the date the Project is completed and closed in HUD's
26 Integrated Disbursement & Information System (IDIS). The Project's HOME-assisted units include a mix
27 of 3-bedroom units and 4-bedroom single family residences identified in Attachment A.

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1 2. The Project will provide new owner-occupied single-family residences that will be
2 affordable to households earning no more than eighty percent (80%) of AMI for Fresno County, as
3 reported annually by HUD.

4 3. The Project will utilize a mutual self-help housing model in the construction of the
5 residences, whereby each homebuyer or volunteer will contribute labor in the construction of the
6 residence. The Borrower shall maintain and provide to the County records of actual hours spent by each
7 volunteer in performing voluntary labor, which shall be credited as sweat equity. Such records can be
8 used as one of the methods to calculate compliance with the HOME match requirement.

9 B. LOCATION:

10 The total Project will consist of sixty-seven (67) single-family residences. The first two
11 phases of the Project will be developed on twenty (20) individual lots that are part of an approximately
12 31.02 acre site (the "Property") located along West Evergreen, West Muir, North Riverview, North Hope,
13 North Klein, North Church, Hollywood Drive, and Acacia Drive, northeast of the intersection of North Reed
14 Avenue and West Aspen Avenue, in the City of Reedley, California and will consist of twenty (20) single-
15 family residences.

16 C. BUILDING REQUIREMENTS:

17 1. All aspects of the building construction will meet or exceed the County's Affordable
18 Housing Programs Construction/Rehabilitation Standards and the International Energy Conservation
19 Code, and must comply with all applicable local building codes.

20 2. Housing Quality Standards: The Project shall meet the requirements of 24 CFR §
21 92.251 relating to property standards and all applicable local housing code requirements for the duration
22 of this Agreement and any modifications or amendments or successor agreements thereto.

23 D. BUDGET:

24 1. This Agreement does not provide the Borrower any legal claim to any amount of
25 HOME loan funds to be used for the specific project or site unless, and until, the site has received
26 environmental clearance, received authorization from HUD to use grant funds, and has met the other
27 terms of this Agreement.

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1 2. The total preliminary Project budget estimate is \$4,920,000. The proposed work to
2 be funded with County HOME loan funds for the development of the ten (10) single-family HOME funded
3 residences in the Project is as follows:

4 Expenses to be paid with HOME loan funds:

5 Construction Costs \$535,000

6 TOTAL HOME loan funds \$535,000

7 Notwithstanding the estimates described in the above preliminary Project budget, disbursements for the
8 ten (10) HOME-assisted single-family residences in the Project from HOME loan funds will be based on
9 the actual costs and shall not exceed the total amount of Five Hundred Thirty-Five Thousand Dollars
10 (\$535,000). Disbursement of HOME funds is subject to approval and execution of loan, security, and
11 related documents acceptable to the County, in its sole discretion.

12 E. FUNDING:

13 1. Notwithstanding any other provision of the Agreement, the parties hereto agree
14 and acknowledge that this Agreement does not constitute a commitment of loan funds or site approval,
15 and that such "commitment of loan funds" or approval may occur only upon satisfactory completion of
16 the environmental review and receipt by the County of a Release of Funds from HUD under 24 CFR §
17 58. In addition, no commitment of loan funds will be made until all requirements contained in this
18 Agreement or any other loan, security or other related documents are met by the Borrower as determined
19 by the County. The parties further agree that the loan of any funds to the Project is conditioned upon the
20 County's determination to proceed with, modify, or cancel the Project based on the results of the Project's
21 environmental review, as specified in Section III of this Agreement. The County will give written
22 notification to the Borrower when these requirements have been met.

23 2 Attachment B to this Agreement, which is incorporated by this reference, lists the
24 potential sources and proposed funding amounts for the Project. With the exception of County HOME
25 funds, these sources and/or the amounts are subject to change. Notwithstanding the funding sources
26 and amounts identified in Attachment B, disbursements for the Project from HOME loan funds will be
27 contingent upon reliable evidence acceptable to the County, in its sole discretion, that the Borrower has
28 obtained all funding necessary to meet the total Project cost. In addition, the Borrower may not award

1 the Project until the County has received authorization from HUD to use the grant funds, as described in
2 subsection E (1) of this Section I.

3 F. CHANGES TO PROJECT:

4 The Borrower will give written notification to the County Department of Public Works
5 and Planning, Community Development Division of any event that changes the scope of the Project
6 and/or the funding sources. The Director of the Department of Public Works and Planning, or his
7 designee, at his discretion, is authorized to permit minor changes to the scope of the Project and/or the
8 funding sources, provided the Director or his designee determines that such changes do not substantively
9 alter the scope of the Project, the maximum amount of HOME loan funds allocated to the Project, or the
10 Project's eligibility under the Federal HOME regulations, as more fully set forth in Section VIII, subsection
11 K of this Agreement.

12 II. OBLIGATIONS OF THE COUNTY

13 A. FUNDING:

14 1. The County shall reserve up to, but not more than, Five Hundred Thirty-Five
15 Thousand Dollars (\$535,000) from the County's allocation of Federal HOME Program funds for the
16 Project. All funds will be paid to the Borrower, in accordance with Section VIII, subsection A of this
17 Agreement, subject to the requirements of all applicable Federal and State statutory and regulatory
18 requirements. Notwithstanding changes in the funding sources and amounts identified in Attachment B,
19 disbursements for the Project from HOME Program funds will be contingent upon the County's receipt,
20 review, and approval of highly reliable evidence acceptable to the County, in its sole discretion, that the
21 Borrower has obtained, or will obtain, all funding to meet the Project development costs. Evidence may
22 include, but shall not be limited to, funding commitments and/or loan documentation from other lenders.

23 2. The County, at its sole discretion, may accept any of the following as repayment of
24 HOME funds disbursed to the Borrower for construction of the Project: a) cash payments from the
25 Borrower; b) secondary financing security documents in the form of promissory notes and deeds of trust
26 to eligible homebuyers in aggregate of Five Hundred Thirty-Five Thousand Dollars (\$535,000); or a
27 combination of these security documents and cash payments from the Borrower in aggregate of Five
28 Hundred Thirty-Five Thousand Dollars (\$535,000). The Borrower agrees to sell the homes for no less

1 than the appraised value of the maximum sales price allowed by all funders.

2 B. APPROVAL OF HOMEBUYERS:

3 The County shall review information provided by the Borrower to ensure the selected
4 homebuyers for the ten (10) HOME-assisted single-family residences meet the County's Homebuyer
5 Assistance Program (HAP) requirements. The combined maximum amount of the secondary loan
6 assistance for the ten (10) residences cannot exceed the Five Hundred Thirty-Five Thousand Dollars
7 (\$535,000) of HOME funds awarded to the Borrower. All homebuyers must receive a secondary loan
8 from the County. The County will provide to the Borrower an approval letter that specifies the
9 maximum amount of HOME subsidy available to each homebuyer to aid in the purchase of a home.
10 The Borrower must follow HUD's Part 5 definition of annual income as defined in 24 CFR § 5.609 to
11 determine initial eligibility. Each eligible homebuyer is required to invest, of their own funds, a minimum
12 of one and a half percent (1.5%) of the home sales price (total development cost) towards the purchase
13 of their home. The County may choose to credit the value of sweat equity earned by each homebuyer
14 as part of this required homebuyer investment. The County requires each HAP applicant attend a
15 sixteen-hour homeownership course comprised of an eight-hour pre-purchase course and an eight-
16 hour maintenance course. The County may allow eligible homebuyers, who purchase homes in the
17 Project, to credit their construction labor experience as a substitute for the eight-hour maintenance
18 course requirement.

19 C. LOAN DOCUMENTS:

20 1. Promissory Note: The County will prepare a Promissory Note for execution by the
21 Borrower in a form and content acceptable to the County, in the County's sole discretion. Said Promissory
22 Note ("Note") will set forth the terms and conditions and plan for repayment of the Five Hundred Thirty-
23 Five Thousand Dollars (\$535,000) HOME loan and other fees or charges, including but not limited to
24 liquidated damages, if applicable. HOME loan funds shall be utilized to assist with the construction of ten
25 (10) single family residences. In addition to the Note, HOME loan funds shall be secured with a Deed of
26 Trust recorded against the property, and other required security instruments, as described more fully
27 below.

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1 2. Homebuyer's Promissory Note / Deed of Trust: The County will prepare Promissory
2 Notes for execution by each of the Project's homebuyers (Homebuyer's Note) in a form and content
3 acceptable to the County. Said Promissory Note will set forth the terms, conditions and repayment of the
4 secondary mortgage financing and will include affordability and residency requirements. In addition to
5 the Homebuyer's Note, each secondary mortgage shall be secured with a Deed of Trust recorded against
6 the property. Each Homebuyer's Note and Deed of Trust will be executed concurrently upon the transfer
7 of property ownership from the Borrower to each individual homebuyer.

8 3. Deed of Trust: County shall record against the property a Deed of Trust for the
9 County HOME loan in a form and content acceptable to the County. Said Deed of Trust will be recorded
10 for the purpose of securing repayment of the Five Hundred Thirty-Five Thousand Dollars (\$535,000) loan,
11 and will name the County of Fresno, a political subdivision of the State of California, as beneficiary. Said
12 Deed of Trust will be in second lien position during construction and after construction (unless the County
13 provides written approval for a lesser lien position), until the Note described in this Section II is fully
14 repaid.

15 4. HOME Regulatory Agreement and Declaration of Restrictive Covenants: The
16 County will record a HOME Regulatory Agreement and Declaration of Restrictive Covenants ("Regulatory
17 Agreement") signed by the Borrower in a form and content acceptable to the County. Said Regulatory
18 Agreement will impose the requirements of the HOME Investment Partnerships Program, as set forth in
19 the Code of Federal Regulations (24 CFR Parts 91 and 92) for the ten (10) HOME-assisted units.

20 D. LABOR COMPLIANCE:

21 The County shall verify with the Labor Relations Division of HUD that the Project
22 general contractor has not been debarred or suspended from participating in Federal projects, in
23 accordance with Section IV, subsection (B) 5 of the Agreement. The County will provide Borrower with
24 written notification that this requirement has been met.

25 The County shall be provided at least ten (10) days' notice of, and shall attend, the
26 pre-construction meeting between the Borrower and any project or construction management company
27 contracting with the Borrower (whether those construction contractors are contracting directly with the
28 Borrower or indirectly through the Borrower's project or construction management company) to discuss

1 labor compliance requirements for the Project. The County may monitor Project records and conduct field
2 reviews to ensure that labor compliance and other conditions of this Agreement have been met.

3 III. PROJECT SUBJECT TO ENVIRONMENTAL CLEARANCE and RELEASE OF FUNDS

4 In accordance with Federal HOME regulations, the Borrower may not incur costs to be
5 paid with County HOME loan funds for this Project until the County notifies the Borrower that it has
6 received the Authorization to Use Grant Funds notice (i.e., release of funds) from HUD. The County shall
7 specify in a letter to the Borrower that such notice has been received.

8 Any costs incurred prior to the County's written notification to Borrower that grant funds
9 may be released shall not be reimbursed from the County HOME loan funds and may jeopardize use of
10 County HOME funds for the Project.

11 IV. OBLIGATIONS OF THE BORROWER

12 A. FUNDING:

13 1. The Borrower hereby certifies the authenticity and accuracy of the information
14 provided to the County with regards to the fiscal soundness of the Borrower, and Borrower's capacity to
15 undertake the proposed Project. The Borrower further certifies that it has examined the Project
16 neighborhood market conditions and determined there is adequate need for the Project.

17 2. The Borrower will provide any and all sums of money in excess of Five Hundred
18 Thirty-Five Thousand Dollars (\$535,000) that may be necessary to complete the Project. Prior to
19 disbursement of County HOME loan funds, the Borrower shall secure or obtain firm commitments from
20 other funding sources for any and all sums of money in excess of Five Hundred Thirty-Five Thousand
21 Dollars (\$535,000) that may be necessary to complete the Project. The Borrower will provide evidence
22 of such commitments of funds satisfactory to the County, as specified in Section I, subsection F (2) herein.
23 The failure to secure all sums of money in excess of Five Hundred Thirty-Five Thousand Dollars
24 (\$535,000) that may be necessary to complete the Project shall be deemed a material breach of this
25 Agreement, as discussed in Section VIII, subsection E of this Agreement.

26 3. The Borrower shall require that all documents with other lenders to the Project
27 include a clause stating all Notice of Default statements be provided to the County, who shall have thirty

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1 (30) days, or such longer applicable cure period as set forth in the promissory note, to cure said default.
2 During said cure period, the County shall forbear from taking any action to perfect its default remedies.

3 4. The Borrower will provide matching funds of at least One Hundred Thirty-Three
4 Thousand, Seven Hundred Fifty Dollars (\$133,750) (i.e., twenty-five percent (25%) of the County's HOME
5 loan) to the Project from other non-Federal sources in accordance with 24 CFR § 92.220. The Borrower
6 shall obtain a letter from the County specifying that the conditions of this Section have been met.

7 B. DEVELOPMENT:

8 1. The Borrower is prohibited from undertaking or committing any funds to physical
9 or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation,
10 conversion, repair, or construction prior to the environmental clearance. A violation of this provision will
11 result in the denial of HOME loan funds under this Agreement.

12 2. Prior to the execution of loan documents, the Borrower will provide the County with
13 a copy of the appraisal establishing the fair market value of the land on which the Project is to be built.
14 Such appraisal shall be performed by a State certified real estate appraiser or other appraiser acceptable
15 to the County.

16 3. The Borrower shall develop and construct the Project as new construction single-
17 family residences for households earning no more than eighty percent (80%) of the AMI for Fresno
18 County, as defined by HUD at time of initial occupancy. Additionally, in accordance with 24 CFR § 92.254,
19 qualifications for affordable housing, home ownership projects. The sales price of each home shall not
20 exceed ninety-five percent (95%) of the area median purchase price as established annually by HUD.
21 The Borrower will provide the County a copy of an appraisal establishing the fair market value for each
22 house after construction. Such appraisal shall be performed by a state certified residential real estate
23 appraiser. The Project will adhere to 24 CFR § 92.250, which requires that all residences not exceed the
24 maximum subsidy amount per unit as established under section 221(d)(3)(ii) of the National Housing Act.
25 Additionally, the County will perform a subsidy layering analysis of the Project for each selected
26 homebuyer prior to the commitment of HOME funds.

27 4. Prior to award of the construction contract, the Borrower will provide the County
28 an independent cost-estimate for the Project to determine cost-reasonableness, in order to obtain from

1 the County written approval of the contractor, the award, amount of the contract, and the final Project
2 budget. Prior to the date the work is to begin, the Borrower will provide both the contractor and the County
3 with a copy of the Notice to Proceed.

4 5. Prior to award of contracts, the Borrower will furnish the name of the general
5 contractor to the County so that the County can verify with the HUD Labor Relations Division that the
6 general contractor has not been debarred or suspended from participating in Federal projects.

7 6. To the extent contractors and/or subcontractors are utilized on this Project, the
8 Borrower will conduct outreach to minority-and women-owned business enterprises (MWBE), and ensure
9 that contractors/subcontractors are informed of the requirements of Section 3 of the Housing and Urban
10 Development Act of 1968 ("Section 3") applicable to the Project, and are licensed in accordance with the
11 regulations of the Contractors State License Board.

12 7. The Borrower will conduct a pre-construction meeting with the Contractor, and will
13 notify the County at least ten (10) working days prior to the meeting, so that a representative of the County
14 can be in attendance to discuss HOME labor compliance requirements and the applicable Section 3 and
15 MWBE policies for the Project. Attachment C to this Agreement, which is incorporated by this reference,
16 provides the required Section 3 compliance forms to be provided by the County to the Borrower and the
17 contractor to complete and return to the County.

18 8. Prior to the start of the construction, the Borrower will secure all required permits
19 for the City of Reedley. The Borrower will provide to the County copies of all such permits.

20 9. The Borrower shall comply with the mitigation measures and conditions identified
21 in Environmental Assessment No. 7567, which is incorporated herein by reference.

22 C. DISBURSEMENT:

23 1. The Borrower may not request disbursement of loan funds under this Agreement
24 until all conditions stated under Section III, Section IV and Section VIII of this Agreement have been
25 satisfied. HOME loan funds will be distributed to the Borrower on a reimbursement basis for actual eligible
26 costs.

27 2. In the event that the total Project cost is less than the current estimated total Project
28 cost of Four Million, Nine Hundred Twenty Thousand Dollars (\$4,920,000), the Borrower will notify the

1 County of such savings. The County may then, at its sole discretion, reduce the County's contribution in
2 direct proportion to the percentage of savings.

3 D. LOAN DOCUMENTS:

4 1. Prior to execution of the County's loan documents, the Borrower shall submit to
5 the County all loan term sheets, any and all other requested loan documents, and any amendments
6 thereto, including any required deed restrictions from other funding sources.

7 2. The Borrower will select and use a title company acceptable to the County for title
8 work.

9 3. The Borrower will record a Notice of Completion and will provide the County a copy
10 of the Notice of Completion after recordation.

11 4. The Borrower will inform the County in writing of the names and addresses of all
12 owners and all lenders of the Project. The Borrower will inform the County in writing of any addition,
13 change, removal, or replacement of any lender of the Project.

14 E. COMPLIANCE:

15 1. The Borrower will comply with the requirements of 24 CFR § 92.252 and 92.504(d),
16 including, but not limited to, the requirements to annually permit on-site inspections.

17 2. The Borrower will comply with all Federal regulations (including, but not limited to:
18 24 CFR Parts 91, 92 and 135) governing the use of HOME funds and 24 CFR Parts 91 and 92, and
19 specifically Sections 92.203 Income Determinations, 92.205 Eligible Activities-General, 92.206 Eligible
20 Project Costs, 92.207 Eligible Administrative and Planning Costs, 92.214 Prohibited Activities, 92.216
21 Income Targeting: Tenant Based Rental Assistance and Rental Units, Sec. 92.250 Maximum Per-Unit
22 Subsidy Amount and Subsidy Layering, 92.350 Other Federal Requirements and Nondiscrimination;
23 Minority Outreach Program, 92.353 Displacement, Relocation, and Acquisition, 92.356 Conflict of
24 Interest, 92.503 Program Income, Repayments, and Recaptured Funds, 92.505 Applicability of Uniform
25 Administrative Requirements and 92.354 Labor Provisions; Borrower to comply with all prevailing wage
26 requirements, as they may apply. Borrower to provide access to all original documents and provide
27 copies, as requested by the County and HUD.

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1 V. CONFORMANCE WITH APPLICABLE LAWS AND REGULATIONS

2 The Borrower, its consultants, contractors, and subcontractors will comply with all
3 applicable State and Federal laws and regulations governing projects that utilize Federal funds.

4 Whenever the Borrower uses the services of a contractor or property management
5 company, whether directly or indirectly, the Borrower shall require that the contractor or property
6 management company comply with all Federal, State and local laws, ordinances, regulations, this
7 Agreement, and Fresno County Charter provisions applicable in the performance of their work.

8 Because the Borrower will borrow at least One Hundred Thousand Dollars (\$100,000) for
9 the Project from the County's HOME Program under this Agreement, the Borrower will complete and
10 submit to the County a "Certification for Contracts, Grants, Loans and Cooperative Agreements" form
11 and a "LLL-Disclosure of Lobbying Activities" form. Likewise, before the Borrower awards a contract using
12 at least One Hundred Thousand Dollars (\$100,000) of such HOME loan funds, the Borrower will require
13 the consultant and/or contractor and all their sub-consultants and/or subcontractors to complete and
14 submit the two (2) forms described herein to both the Borrower and the County.

15 VI. FINANCIAL RECORDS REQUIREMENTS:

16 Within nine (9) months after the end of the County's Fiscal Year in which the Project is
17 completed, and for each subsequent Fiscal Year until the end of the loan term specified in the Note,
18 Borrower will provide County with audited Statement of Cash Flows, Distribution of Net Cash Flow,
19 Balance Sheet and Profit and Loss Statements prepared by an independent, certified public accountant.
20 These statements shall be prepared in accordance with Generally Accepted Accounting Principles
21 (GAAP).

22 VII. INSURANCE

23 Without limiting the County's right to obtain indemnification from the Borrower or any third
24 parties, the Borrower, at its sole expense, will maintain in full force and effect the following insurance
25 policies throughout the term of this Agreement:

26 A. PROPERTY INSURANCE:

27 A policy of Property Insurance to the extent of not less than one hundred percent
28 (100%) of the actual full replacement cost (without depreciation) of all buildings and improvements

1 located on the Property, insuring against loss or damage by fire, extended coverage perils and such other
2 hazards, casualties or other contingencies (other than damage from earthquakes), as from time to time
3 may be reasonably required by the County of Fresno.

4 The Borrower will obtain endorsements to the Property Insurance naming the County
5 of Fresno, its officers, agents, and employees, individually and collectively, as additional insured, but only
6 insofar as the operations under this Agreement are concerned. Such coverage for additional insured will
7 apply as primary insurance and any other insurance, or self-insurance, maintained by the County, its
8 officers, agents and employees shall be excess only and not contributing with insurance provided under
9 the Borrower's policies herein. This insurance shall not be cancelled or changed without a minimum of
10 thirty (30) days advance written notice given to the County.

11 B. COMMERCIAL GENERAL LIABILITY INSURANCE:

12 Commercial General Liability Insurance with limits of not less than One Million Dollars
13 (\$1,000,000) per occurrence and an annual aggregate of Two Million Dollars (\$2,000,000) is required.
14 This policy will be issued on a per occurrence basis. The County may require specific coverage including
15 completed operations, product liability, contractual liability, Explosion-Collapse-Underground, fire,
16 extended coverage, legal liability or any other liability insurance deemed necessary because of the nature
17 of this Agreement.

18 The Borrower will obtain endorsements to the Commercial General Liability Insurance,
19 fire, and extended coverage, naming the County of Fresno, its officers, agents, and employees,
20 individually and collectively, as additional insured, but only insofar as the operations under this
21 Agreement are concerned. Such coverage for additional insured will apply as primary insurance and any
22 other insurance, or self-insurance, maintained by the County, its officers, agents and employees shall be
23 excess only and not contributing with insurance provided under the Borrower's policies herein. This
24 insurance shall not be cancelled or changed without a minimum of thirty (30) days advance written notice
25 given to the County.

26 C. AUTOMOBILE LIABILITY INSURANCE:

27 Comprehensive Automobile Liability Insurance with limits for bodily injury of not less
28 than Two Hundred Fifty Thousand Dollars (\$250,000) per person, Five Hundred Thousand Dollars

1 (\$500,000) per accident and for property damages of not less than Fifty Thousand Dollars (\$50,000) or
2 such coverage with a combined single limit of Five Hundred Thousand Dollars (\$500,000) is required.
3 Coverage should include owned and non-owned vehicles used in connection with this Agreement.

4 D. PROFESSIONAL LIABILITY INSURANCE:

5 If the Borrower employs licensed professional staff (e.g., Ph.D., R.N., L.C.S.W.,
6 M.F.C.C., Engineer, Architect) in providing services, Professional Liability Insurance with limits of not less
7 than One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) annual aggregate
8 is required.

9 E. WORKER'S COMPENSATION INSURANCE:

10 A policy of Worker's Compensation Insurance as may be required by the California
11 Labor Code.

12 Borrower hereby waives its right to recover from County, its officers, agents, and
13 employees any amounts paid by the policy of worker's compensation insurance required by this
14 Agreement. Borrower is solely responsible to obtain any endorsement to such policy that may be
15 necessary to accomplish such waiver of subrogation, but Borrower's waiver of subrogation under this
16 paragraph is effective whether or not Borrower obtains such an endorsement.

17 Within thirty (30) days of the date the Borrower signs this Agreement, the Borrower
18 will provide certificates of insurance and endorsement as stated above for all of the listed policies, as
19 required herein, to the County of Fresno, Community Development Division, Program Manager,
20 Affordable Housing Programs, 2220 Tulare Street, 6th Floor, Fresno, CA 93721, stating that such
21 insurance coverages have been obtained and are in full force; that the County of Fresno, its officers,
22 agents and employees will not be responsible for any premiums on the policies; that for such worker's
23 compensation insurance the Borrower has waived its right to recover from the County, its officers, agents,
24 and employees any amounts paid under the insurance policy and that waiver does not invalidate the
25 insurance policy; that such Commercial General Liability Insurance names the County of Fresno, its
26 officers, agents and employees, individually and collectively, as additionally insured, but only insofar as
27 the operations under this Agreement are concerned; that such coverage for additional insured shall apply
28 as primary insurance and any other insurance, or self-insurance, maintained by the County, its officers,

1 agents and employees, shall be excess only and not contributing with insurance provided under the
2 Borrower's policies herein; and that this insurance shall not be cancelled or changed without a minimum
3 of thirty (30) days advance, written notice given to the County.

4 In the event the Borrower fails to keep in effect at all times insurance coverage as
5 herein provided, the County may, in addition to other remedies it may have, suspend or terminate this
6 Agreement upon the occurrence of such event.

7 All policies will be with admitted insurers licensed to do business in the State of
8 California. Insurance purchased will be purchased from companies possessing a current A.M. Best, Inc.
9 rating of A FSC VII or better.

10 F. BOND INSURANCE:

11 Borrower acknowledges as a condition of receiving County HOME funds that the
12 Borrower shall obtain a performance bond and a labor and materials (payment) bond, in the amount of
13 one hundred percent (100%) of the construction contract sum, prior to the execution of all HOME loan
14 documents and related documents. These bonds shall comply with the requirements of California Civil
15 Code Section 3248. The bonds shall be in recordable form, and shall name such parties as indicated by
16 Borrower as co-obligees or assignees. Borrower understands and acknowledges that the aforementioned
17 requirements for both bonds are a condition precedent to Borrower's receipt of any County HOME funds
18 and Borrower's failure to procure such bonds shall be considered a material breach of this Agreement.

19 VIII. GENERAL REQUIREMENTS AND POLICIES

20 A. LOAN DISBURSEMENT

21 1. Amount: The total amount of HOME funds available to be loaned for the Project
22 shall not exceed the total sum of Five Hundred Thirty-Five Thousand Dollars (\$535,000).

23 2. Disbursement Requests

24 a. The Borrower will submit written requests to the County for loan
25 disbursements to pay actual costs incurred in the performance of this Agreement. Any such request for
26 disbursement from HOME loan funds will be accompanied by a written certification from the Borrower
27 that the request for disbursement is consistent with the amount of work that has been completed, and
28 that to the best of the Borrower's knowledge, the work is in accordance with this Agreement.

1 b. Requests for disbursement shall be accompanied by supporting
2 documentation acceptable to the County detailing the items comprising the total sought to be reimbursed,
3 such as invoices or vouchers for services or materials purchased, contractors' costs or other costs
4 chargeable to the Project. After appropriate review and progress inspection, the County shall make
5 disbursements to the Borrower from HOME loan funds provided in this Agreement for all verified eligible
6 costs specified herein. The Project's proposed disbursement schedule is provided in Attachment D to
7 this Agreement, which is incorporated herein by reference. A ten percent (10%) retention of the total loan
8 amount of Five Hundred Thirty-Five Thousand Dollars (\$535,000) will be held back from disbursement
9 for thirty-five (35) days after the Notice of Completion has been filed with the County Recorder's Office.
10 A copy of the Notice of Completion must accompany the request for disbursement of the retained funds.

11 c. All requests for disbursement and supporting documentation shall be sent
12 to:

13 Department of Public Works and Planning
14 Community Development Division
15 Program Manager, Affordable Housing Programs
16 2220 Tulare Street, 6th Floor
17 Fresno, CA 93721

18 d. The County shall not be obligated to make any disbursement of funds for
19 the Project under this Agreement if the request for disbursement is submitted by the Borrower more than
20 sixty (60) days after the Notice of Completion has been filed with the County Recorder's Office. The
21 Director of the Department of Public Works and Planning, or his designee, prior to the deadline, may
22 grant an extension to the sixty (60) day period, if the Borrower can demonstrate just cause for the delay.

23 3. All requests for disbursements will be processed via Special Run check processing
24 or a wire transfer, as determined by the County and processed by the County's Auditor-
25 Controller/Treasurer-Tax Collector ("ACTTC").

26 4. Outside Agreements: The County will not be bound by any agreement between
27 the Borrower and any of its partners, agents, employees or subcontractors. The County will be bound
28 only by the terms of this Agreement. It is understood and agreed by the parties hereto that no third party
beneficiary status or rights are created by or under this Agreement, and that no other person, firm,

1 corporation, or entity shall be deemed a third party beneficiary of this Agreement.

2 5. The Borrower will establish accounting and bookkeeping procedures in
3 accordance with GAAP and standard bookkeeping practices, including, but not limited to, employee
4 timecards, payrolls and other records of all transactions to be paid with HOME loan funds in accordance
5 with the performance of this Agreement. All records and accounts will be available for inspection by the
6 County, the State of California, the Federal government, and if applicable, the Comptroller General of the
7 United States or any of their duly authorized representatives, at all reasonable times for a period of at
8 least five (5) years following the term of this Agreement or the closure of all other related pending matters,
9 whichever is later. The borrower will certify accounts when required or requested by the County.

10 B. AUDITS

11 The Borrower is required to comply with the provisions of the Single Audit Act Amendments of 1996
12 (31 U.S.C. Sections 7501 et seq.). Whenever the Borrower receives HOME loan funds from the County
13 for a project, a copy of any audit performed by the Borrower in accordance with said Act shall be
14 forwarded to the Affordable Housing Programs Manager within nine (9) months of the end of any fiscal
15 year in which loan funds were distributed, borrowed, and/or outstanding for the Project. Failure to perform
16 the requisite audit functions as required by this paragraph may result in the County performing any
17 necessary audit tasks or, at the County's option, the County contracting with a public accountant to
18 perform the audit. All audit costs related to the Borrower's failure to perform the requisite audit are the
19 sole responsibility of the Borrower, and such audit work costs incurred by the County shall be billed to
20 the Borrower, as determined by County's Auditor-Controller/Treasurer-Tax Collector. In the event the
21 Borrower is only required to perform an audit under the provisions of the Act because the Borrower is
22 receiving HOME funds, the County may perform, or cause to be performed, the required audit to
23 determine whether funds provided through this Agreement have been expended in accordance with
24 applicable laws and regulations. Any audit-related costs incurred by the County under this provision shall
25 be charged to the Borrower. The Borrower agrees to take prompt and appropriate corrective action on
26 any instance of material non-compliance with applicable laws and regulations.
27

28 ///

1 C. INDEMNIFICATION

2 The Borrower will indemnify, save, hold harmless, and at the County's request, defend
3 the County, its partners, officers, agents, and employees from and against any and all costs and
4 expenses (including attorney's fees and costs), damages, liabilities, claims and losses whatsoever
5 occurring or resulting to the County in connection with the performance, or failure to perform, by the
6 Borrower, its partners, officers, agents, employees, or any persons, firms, or corporations furnishing or
7 supplying work, services, materials, or supplies in connection with the performance of this Agreement,
8 and from any and all claims and losses occurring or resulting to any person, firm, or corporation who may
9 be injured or damaged, including damage, injury, or death arising out of or connected with the
10 performance, or failure to perform, of the Borrower, its partners, officers, agents or employees under this
11 Agreement.

12 The provisions of this Section VIII, subsection C shall survive termination of this
13 Agreement.

14 D. TIME OF PERFORMANCE

15 1. The term of this Agreement will commence on the date upon which this Agreement
16 is executed by the County and will expire when the Period of Affordability ends, twenty (20) years after
17 the date the Project is completed and closed in IDIS, or when the loan of Five Hundred Thirty-Five
18 Thousand Dollars (\$535,000) and such other amounts, including but not limited to liquidated damages, if
19 applicable, as set forth in the Promissory Note, have been repaid, and the Deed of Trust has been
20 reconveyed, whichever is later.

21 2. The Project, as described in Section I, herein, will commence on the day the
22 Agreement is executed by the County, and construction completed within twenty-four (24) months of the
23 construction start date.

24 3. The following schedule shall apply to the Project:

- 25 a. Homebuyers secured by: June 2020
- 26 b. Provide all necessary documents to execute loan documents by:
27 June 2020
- 28 c. All other funding sources secured by: June 2020

1 d. Begin Construction: June 2020

2 e. Record Notice of Completion: June 2022

3 4. The Borrower will give immediate written notification to the Director of the County
4 Department of Public Works and Planning, or his designee, of any events that occur, which may affect
5 the Project Schedule and completion date noted above, or any event that may have significant impact
6 upon the Project or affect the attainment of the Project's objectives. The Project's proposed schedule is
7 provided in Attachment E to this Agreement, which is incorporated by this reference. The Director of the
8 County Department of Public Works and Planning, or his designee, is authorized to make adjustments in
9 the Project schedule if, in the Director's or his designee's judgment, the delays are beyond the control of
10 the parties involved.

11 E. BREACH OF AGREEMENT

12 In the event the Borrower fails to comply with any of the terms of this Agreement, the
13 County may, at its option, deem the Borrower's failure to be a material breach of this Agreement, and
14 utilize any of the remedies set forth in 24 CFR § 85.43, or that it deems appropriate. Should the County
15 deem a breach of this Agreement to be a material breach, the County will immediately be relieved of its
16 obligations to make further loan disbursements as provided herein. Termination of this Agreement due
17 to breach will not, in any way whatsoever, limit the rights of the County in seeking any other legal relief
18 in a court of law or equity, including the recovery of damages. In addition to the Agreement being
19 terminated by the County in accordance with a material breach of this Agreement by the Borrower, the
20 County, in accordance with 24 CFR § 85.44, may also terminate this Agreement for convenience.

21 F. TERMINATION

22 1. Non-Allocation Of Funds: The terms of this Agreement, and the funds provided
23 thereunder, are contingent on the award and/or commitment of funds by HUD to the County, and to the
24 award and/or commitment of funds to the Project by the Sources of Funds identified in Attachment B of
25 this Agreement. Should HUD fail to award County funds, or should the County determine, in its sole
26 discretion, that sufficient funds have not been allocated by the other sources of funds to complete the
27 development of the ten (10) units comprising the Project, the County may terminate this Agreement at
28 any time without penalty by giving the Borrower thirty (30) days advance written notice, and the Borrower

1 shall promptly repay to the County any and all HOME loan funds previously paid, pursuant to all
2 applicable laws and regulations.

3 2. Termination For Convenience: This Agreement may also be terminated for
4 convenience by the County, in accordance to the requirements of 24 CFR § 85.44. In the event the
5 County terminates this Agreement solely for convenience, the Borrower promptly shall repay to the
6 County any and all HOME loan funds, pursuant to all applicable laws and regulations. However, in the
7 event of termination, the County, at its sole discretion, may negotiate with the Borrower alternate terms
8 of repayment of HOME loan funds

9 3. For Cause: The County may elect to terminate this Agreement for cause as set
10 forth in Paragraph E of this Section IX.

11 G. VENUE; GOVERNING LAW

12 Venue for any action arising out of or relating to this Agreement shall only be in Fresno
13 County, California. The rights and obligations of the parties and all interpretation and performance of this
14 Agreement shall be governed in all respects by the laws of the State of California.

15 H. INDEPENDENT CONTRACTOR

16 In performance of the work, duties, and obligations assumed by the Borrower under
17 this Agreement, it is mutually understood and agreed that the Borrower, including any and all of the
18 partners, officers, agents and employees, will at all times be acting and performing as an independent
19 contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint
20 venture, partner, or associate of the County. Furthermore, the County shall have no right to control,
21 supervise or direct the manner or method by which the Borrower shall perform its work and function.
22 However, the County shall retain the right to administer this Agreement so as to verify that the Borrower
23 is performing its obligations in accordance with the terms and conditions thereof. The Borrower and the
24 County shall comply with all applicable provisions of law and the rules and regulations, if any, of
25 governmental authorities having jurisdiction over matters of the subject thereof.

26 Because of its status as an independent contractor, the Borrower shall have absolutely
27 no right to employment rights and benefits available to County employees. The Borrower shall be solely
28 liable and responsible for providing to, or on behalf of, its employees all legally required employee

1 benefits. In addition, the Borrower shall be solely responsible and save the County harmless from all
2 matters relating to payment of the Borrower's employees, including compliance with Social Security
3 withholding, and all other laws and regulations governing such matters. It is acknowledged that during
4 the term of this Agreement, the Borrower may be providing services to others unrelated to the County or
5 to this Agreement.

6 I. MODIFICATION

7 Any matters of this Agreement may be modified from time to time by the written
8 consent of all parties without, in any way, affecting the remainder.

9 J. NON-ASSIGNMENT

10 Neither party shall assign, transfer or sub-contract this Agreement nor their rights or
11 duties under this Agreement without the written consent of the other party. Any transfer or assignment
12 without the County's prior consent shall be voidable and, at the County's sole discretion, shall constitute
13 a material breach of this Agreement. No consent to any assignment shall constitute a further waiver of
14 the provisions of this Section VIII, subsection J.

15 K. AUTHORIZATION AND NOTICES

16 a. County Authority: The Director of the County's Department of Public Works and
17 Planning, or his duly authorized designee, at his discretion, is hereby authorized to enter into and sign in
18 the name of the County, all loan documents, security documents and other related documents, and any
19 amendments thereto, subject to the prior review and approval of County Counsel, as shall be necessary
20 for the purpose of developing the Project as described in Section I of this Agreement. Additionally, in the
21 County's experience, changes in circumstances frequently occur that require a quick response from the
22 County, otherwise the project and/or its financing may fail. In such cases, where the County's response
23 is time-sensitive, the Director, or his duly authorized designee, hereby is authorized, but not required, to
24 consent to the following matters in the name of the County, subject to the prior review of County Counsel:
25 (1) changes to Attachments to this Agreement that do not alter the terms of the Agreement or
26 substantively alter the scope of the Project; (2) non-substantive changes to the scope of the Project, so
27 long as the Director or his designee determines that the Project remains eligible under the Federal HOME
28 regulations; (3) changes of funding sources from those specific other entities named in Attachment B, so

1 long as the Director or his designee determines that the Project remains eligible under the Federal HOME
2 regulations and this Agreement; (4) changes of the specific dollar amounts set forth in Attachment B
3 coming from other entities, or the total thereof, provided the total monies coming from the County under
4 this Agreement do not increase, and further provided that the Director or his designee determines that
5 the Project remains viable, is fully funded, and eligible under the Federal HOME regulations and this
6 Agreement; (5) to sign subordination documents solely in order to facilitate the placement of permanent
7 financing, and only within the first two years after the Notice of Completion is recorded; and (6) terminate
8 the Agreement if it has been determined that the Borrower is not able to acquire the funds necessary to
9 meet the terms described in the Agreement.

10 b. Borrower Authority: The President/CEO of Self-Help Enterprises has authority to
11 enter into and sign this Agreement, and the loan, security and all other related documents, and any
12 amendments thereto on behalf of the Partnership, as shall be necessary for the purpose of borrowing the
13 funds to develop the Project as described in Section I herein.

14 c. The persons and their addresses having authority to give and receive notices
15 under this Agreement include the following:

16 County:

17 County of Fresno
18 Department of Public Works and Planning
19 Community Development Division
20 Attention: Manager, Affordable Housing Programs
21 2220 Tulare Street, 6th Floor
22 Fresno, CA 93721

23 Borrower:

24 Self-Help Enterprises
25 Attention: President/CEO
26 P.O. Box 6520
27 Visalia, California 93290

28 Copy to:

 Rural Community Assistance Corporation (RCAC)
 3120 Freeboard Drive, Suite 201
 West Sacramento, CA 95691
 Attention: Loan Fund Department
 Loan #6287-SHE-17

 And:

 USDA Rural Development
 4625 W. Jennifer Street, Suite 126
 Fresno, CA 93722
 Attention: Liz Vannata, Area Specialist

1 L. ENTIRE AGREEMENT

2 This Agreement constitutes the entire Agreement between the Borrower and the
3 County with respect to the subject matter hereof, and supersedes all previous discussions, negotiations,
4 proposals, commitments, writings, advertisements, publications and understandings of any nature
5 whatsoever unless expressly included in this Agreement.

6 M. EFFECTIVE DATE

7 The effective date of this Agreement shall be the date upon which it is executed by the
8 County. The County shall place the day and month upon which it signs this Agreement on Page 1, in the
9 space provided.

10 N. DISCLOSURE OF SELF-DEALING TRANSACTIONS

11 This provision is only applicable if the Borrower is operating as a corporation (a for-
12 profit or non-profit corporation) or if, during the term of this Agreement, the Borrower changes its status
13 to operate as a corporation.

14 Members of the Borrower's Board of Directors shall disclose any self-dealing
15 transactions that they are a party to while the Borrower is providing goods or performing services under
16 this Agreement. A self-dealing transaction shall mean a transaction to which the Borrower is a party and
17 in which one or more of its directors has a material financial interest. Members of the Board of Directors
18 shall disclose any self-dealing transactions that they are a party to by completing and signing a *Self-*
19 *Dealing Transaction Disclosure Form* (Exhibit 1) and submitting it to the County prior to commencing with
20 the self-dealing transaction or immediately thereafter.

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

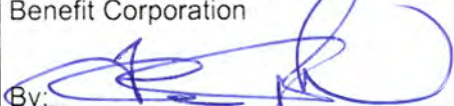
27 ///

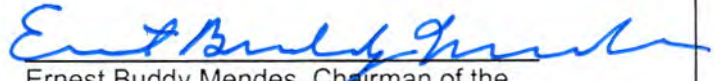
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1 IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth above.

2 Self-Help Enterprises,
3 A California Non-Profit Public
4 Benefit Corporation

COUNTY OF FRESNO

5 By: 
6 Thomas J. Collishaw


Ernest Buddy Mendes, Chairman of the
Board of Supervisors of the
County of Fresno

7 Date: 4/30/20

Date: June 9, 2020

9 ATTEST:
10 Bernice E. Seidel
11 Clerk of the Board of Supervisors
12 County of Fresno, State of California

13 By: 
14 Deputy

15
16 FUND NO: 0001
17 SUBCLASS NO: 10000
18 ORG NO.: 55122008
19 ACCOUNT NO.: 7295

20 REMIT TO:
21 Self-Help Enterprises
22 P.O. Box 6520
23 Visalia, California 93290
24 Attention: President/CEO
25 Telephone: (559) 802-1620

26
27
28
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ATTACHMENT A

HOME Unit Mix

Reedley Homeownership Project

TOTAL HOME-ASSISTED UNITS (10)

Unit Type	Income Level	Number of Units
3 & 4 Bedroom	up to 80%	10
Total		10

ATTACHMENT B

Sources and Uses of Funds are anticipated as follows:

Sources of Funds

1.	Construction Loan	\$3,376,000
2.	County of Fresno HOME Loan Funds	\$535,000
3.	Sweat Equity	\$200,000
4.	Other Secondary Financing (CalHome, Joe Serna)	809,000
	Total Sources	\$4,920,000

Uses of Funds:

1.	Acquisition Costs	\$1,800,000
2.	Construction Costs	\$2,617,480
3.	Financing Costs	\$97,220
4.	Fees and Permits	405,300
	Total Project Cost	\$4,920,000

ATTACHMENT C

SECTION 3 REQUIREMENTS

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C 1701u ("Section 3"). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with part 135 regulations.
- C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- D. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD-assisted contracts.

SECTION 3 ASSURANCES

[FORM MUST BE COMPLETED AND SUBMITTED PRIOR TO AWARD]

I/We, the undersigned _____(representative), as official representative of _____(Contractor) agree to comply with Section 3 requirements for the _____(Project). It is understood that failure to comply may result in the following sanctions: cancellation, termination, or suspension in whole or in part of this contract. A copy of this executed form and the charts for hires and contractors will be provided to the County along with any back up documentation requested prior to execution of contract.

Complete for Staffing:

- A. How many new full time (permanent, temporary, seasonal) positions will be needed on this project? _____
- B. How many new employment training positions will be created? _____
- C. If New Hires and Employment Training will take place, how many positions are projected to be filled by local low income area residents? _____(see goal below).

If new hires or employment training are anticipated then Contractor must provide copies of outreach efforts, any preferences given, and any actual Section 3 hires completed. If there were no Section 3 residents hired or the goals were not met, then an explanation of why this happened will be provided.

- D. If new hires or training were made available, did Contractor reach 30% Section 3 goal/target?

See attached chart with list of all New Hires / Transfers for this Project

Complete for construction subcontractors and non-construction contracts:

- A. How many construction subcontractors will be utilized for this project? _____
- B. Of these subcontractors, how many are Section 3 subcontractors? _____
 - 1) Was the Section 3 Goal/target of 10% of project dollar amount reached? _____
- C. How many non-construction contracts will be utilized? _____
- D. Of these, how many are Section 3 businesses? _____
 - 1) Was the Section 3 Goal/target of 3% of project dollar amount reached? _____

See attached chart with list of all Contractors hired for this Project

Authorized Signature _____

Date: _____

Section 3 Resident Eligibility Certification

The U.S. Department of Housing and Urban Development (HUD) monitors our hiring practices on Section 3-funded projects. It is important, therefore that the information below be provided. Please be aware that your response, though needed, is voluntary and has no effect on your employment status.

Because these questions are personal in nature, your answers will be treated with confidentiality. Thank you for assisting us.

Sincerely,

Fresno County Community Development Division

1. Name: _____

Address: _____

2. Number of individuals living in your household (include yourself): _____

3. Total annual household income (please CIRCLE one):

Household Size	30%	50%	60%	65%	80%
1	\$ 14,700	\$ 24,500	\$ 29,400	\$ 31,850	\$ 39,150
2	\$ 17,240	\$ 28,000	\$ 33,600	\$ 36,400	\$ 44,750
3	\$ 21,720	\$ 31,500	\$ 37,800	\$ 40,950	\$ 50,350
4	\$ 26,200	\$ 34,950	\$ 41,940	\$ 45,435	\$ 55,900
5	\$ 30,680	\$ 37,750	\$ 45,300	\$ 49,075	\$ 60,400
6	\$ 35,160	\$ 40,550	\$ 48,660	\$ 52,715	\$ 64,850
7	\$ 39,640	\$ 43,350	\$ 52,020	\$ 56,355	\$ 69,350
8	\$ 44,120	\$ 46,150	\$ 55,380	\$ 59,995	\$ 73,800
Check Box If Above \$73,800					

4. Are you currently employed? _____ Yes _____ No

I certify that the statements made on this sheet are true, complete and correct to be best of my knowledge and belief, and made in good faith.

Signature _____

Date: _____

Section 3 Business Eligibility Certification

The U.S. Department of Housing and Urban Development (HUD) monitors our hiring practices on Section 3-covered projects. It is important, therefore that the information below be provided. Please be aware that your response, though needed, is voluntary and has no effect on your contracting.

Your answers will be treated with confidentiality. Thank you for assisting us.

Sincerely,

Fresno County Community Development Division

Business Name: _____

Address: _____

1. Are 51% of the business owners qualified Section 3 Residents? _____

If YES stop, if NO proceed.

2. Are at least 30% of the employees Section 3 Residents (or were they when they started less three years ago)? _____

If YES stop, if NO proceed.

3. Will the business subcontract more than 25% of the proposed work under the contract to business concerns that meet the qualification set forth in number 1 & 2 above? _____

If YES stop, if NO proceed.

_____ We currently do not qualify as a Section 3 business

I certify that the statements made on this sheet are true, complete and correct to be best of my knowledge and belief, and made in good faith.

Signature _____

Date: _____

SECTION 3 Project Work Force Breakdown

Job Category	Total Positions Needed for Project	No. Positions Occupied by Permanent Employees	Number of Positions not Occupied	Number of Positions filled with Section 3 residents
Supervisor				
Professional				
Technical				
Office/Cleric.				
Others				
TRADE:				
Journeyman				
Apprentices				
Trainees				
Others				
TRADE:				
Journeyman				
Apprentices				
Trainees				
Others				

***Section 3 Resident:**

Individual residing within the Section 3 Area Whose family income does not exceed 80% of the median income in the Metropolitan Statistical Area or the county if not within a MSA in which the Section 3 covered project is located. See attached income schedule.

NOTE: This document must be submitted with bid documents.

Company

Project

Project Number

Person Completing Form: _____

Date: _____

SECTION 3 Contracts / Subcontracts Breakdown

Type of Contract (Business or Profession)	Total Number	Total Approx. Dollar Amount	Estimated No. of Contracts to Section 3 Businesses	Estimated Dollar Amount to Sec. 3 Businesses

NOTE: This document is to be submitted by the Contractor with bid documents

Company

Project

Project Number

Person Completing Form:

Date:

SECTION 3 BUSINESS UTILIZATION REPORT

Project No. : _____

Total Dollar Amount of Contract: \$ _____

Federal ID No. : _____

Address: _____

Name of Prime Contractor:

Name of Subcontractor	Sec 3 Y/N	Address/Telephone	Trade/Service or Supply	Contract Amount	Award Date	Competitive or Negotiated Bid	Federal Identification No.

Total Dollar Amount Awarded to Section 3 Businesses:
\$ _____

Company _____

NOTE: This report must be completed and submitted by the Contractor (monthly) with each payment request.

Project _____

Project Number _____

Date

Person Completing Form

ATTACHMENT D

Project Disbursement Schedule Reedley Homeownership Project

Draw Schedule

Draw No.	Percentage of Funds	Dollar Amount Requested	10% Retention	Amount Disbursed
1	Deposit at escrow	\$0	\$0	\$0
2	50% of Total Loan Amount (First construction draw)	\$267,500	\$26,750	\$240,750
3	50% of Total Loan Amount	\$267,500	\$26,750	\$240,750
	Total Amounts	\$535,000	\$53,500	\$481,500
	Retention Amount (pay at the end of construction)			\$53,500

ATTACHMENT E

Reedley Homeownership Project

PROJECT TIMELINE	
Homebuyer secured	Jun-20
Provide loan documents to County	Jun-20
Other funding sources secured	Jun-20
Begin construction	Jul-20
Record Notice of Completion	Jun-22

EXHIBIT 1

SELF-DEALING TRANSACTION DISCLOSURE FORM

In order to conduct business with the County of Fresno (hereinafter referred to as "County"), members of a contractor's board of directors (hereinafter referred to as "County Contractor"), must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the County. A self-dealing transaction is defined below:

"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest"

The definition above will be utilized for purposes of completing this disclosure form.

INSTRUCTIONS

- (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- (2) Enter the board member's company/agency name and address.
- (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the County. At a minimum, include a description of the following:
 - a. The name of the agency/company with which the corporation has the transaction; and
 - b. The nature of the material financial interest in the Corporation's transaction that the board member has.
- (4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.
- (5) Form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

(1) Company Board Member Information:			
Name:		Date :	
Job Title:			
(2) Company/Agency Name and Address:			
(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to):			
(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code 5233 (a):			
(5) Authorized Signature			
Signature:		Date:	