

## A G R E E M E N T

THIS AGREEMENT ("Agreement") is made this 11th day of July, 2017, by and between the COUNTY OF FRESNO, a political subdivision of the State of California (hereinafter the "County") and Habitat for Humanity Fresno, Inc., a Domestic Non-profit Corporation, whose mailing address is 4991 E. McKinley Suite 123, Fresno, California 93727, (hereinafter "Borrower").

## 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; and

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); and

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

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 for very low-income and low-income households; and

WHEREAS, Borrower, a County-certified CHDO and the developer of the proposed Habitat Riverdale Development (hereinafter "Project"), has requested a HOME Program loan not to exceed Three Hundred Ninety Thousand Dollars (\$390,000) via the CHDO set aside funds to assist with the construction of two (2) single family residences for low-income families in Riverdale, California, an unincorporated area of the County of Fresno, which will be restricted and affordable to very low and low-income persons. The Borrower also requests that the HOME funds be used as a construction loan and secondary mortgage financing for eligible homebuyers; and

1 WHEREAS, the County has Three Hundred Ninety Thousand Dollars (\$390,000)  
2 available from its HOME funds to loan to the Borrower for the Project, which will be provided  
3 firstly and primarily through the CHDO set-aside funds per the Federal HOME regulations; and

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

6 WHEREAS, the Project will increase the supply of affordable housing units in Fresno  
7 County for households earning no more than eighty percent (80%) of the area median income  
8 as reported annually by the U.S. Department of Housing and Urban Development (HUD); and

9 WHEREAS, the total estimated Project cost is Four Hundred and Seventy Eight  
10 Thousand Dollars (\$478,000), and the Borrower has or will obtain other funding commitments  
11 apart from the County HOME loan to complete the financing for the Project; and

12 WHEREAS, the Project is consistent with the County's Consolidated Plan and the  
13 County's General Plan which promotes compact growth by directing most new urban  
14 developments to incorporated cities and existing unincorporated urban communities where  
15 there is infrastructure to accommodate the growth.

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

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

20 A. DESCRIPTION:

21 1. The Project consists of the development of two (2) single family  
22 residences which shall be HOME-assisted and shall satisfy HOME occupancy requirements for  
23 no less than the required HOME Period of Affordability. The Period of Affordability will be a  
24 maximum of fifteen (15) years beginning on the date the Project is completed and closed in  
25 HUD's Integrated Disbursement & Information System (IDIS). The Project will consist of three  
26 (3) and/or four (4) bedroom single family residences.

27 2. The Project will utilize a mutual self-help housing model in the  
28 construction of the residences, whereby each homebuyer or volunteer will contribute labor in

1 the construction of the residence. The Borrower shall maintain and provide to the County  
2 records of actual hours spent by each volunteer in performing voluntary labor, which shall be  
3 credited as sweat equity. Such records can be used as one of the methods to calculate  
4 compliance with the HOME match requirement.

5 3. The Project will provide new housing units that will be affordable to  
6 households earning no more than eighty percent (80%) of area median income for Fresno  
7 County, as reported annually by HUD.

8 B. LOCATION:

9 The Project will be developed on two (2) individual lots that are part of an  
10 approximately 16.14 acre site (the "Property") located along Wilda, Pendleton and Earl Streets,  
11 east of Troutdale Lane and north of Stathem Street, in the unincorporated community of  
12 Riverdale, California and will consist of two (2) single family residences.

13 C. BUILDING REQUIREMENTS:

14 1. All aspects of the building construction will meet or exceed the  
15 County's minimum building construction standards and the International Energy Conservation  
16 Code, and must comply with all applicable local building codes.

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

21 D. BUDGET:

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

26 2. The total preliminary Project budget estimate is Four Hundred and  
27 Seventy Eight Thousand Dollars (\$478,000). The proposed work to be funded with County  
28 HOME loan funds for the development of the two (2) single family residences is as follows:

Expenses to be paid with HOME loan funds:

|                       |           |
|-----------------------|-----------|
| Construction Costs    | \$390,000 |
| TOTAL HOME loan funds | \$390,000 |

Notwithstanding the estimates described in the above preliminary Project budget, disbursements for the Project from HOME loan funds will be based on the actual costs and shall not exceed the total amount of Three Hundred Ninety Thousand Dollars (\$390,000). Disbursement of HOME funds is subject to approval and execution of loan, security, and related documents acceptable to the County, in its sole discretion.

E. FUNDING:

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

2. Attachment A to this Agreement, which is incorporated herein by reference, lists the potential funding sources and proposed funding amounts for the Project. Notwithstanding the funding sources and amounts identified in Attachment A, disbursements for the Project from HOME loan funds will be contingent upon reliable evidence acceptable to the County in its sole discretion that the Borrower has obtained all funding necessary to meet the total Project cost. In addition, the Borrower may not advertise or award the Project until the County has received authorization from HUD to use the grant funds, as described in Section I,

1 Part D-1.

2 F. CHANGES TO PROJECT:

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

12 II. OBLIGATIONS OF THE COUNTY

13 A. FUNDING:

14 1. The County shall reserve up to, but not more than, Three Hundred  
15 Ninety Thousand Dollars (\$390,000) from the County's allocation of Federal HOME Program  
16 funds for the Project. All funds will be paid to the Borrower, in accordance with Section VII,  
17 Paragraph A of this Agreement, subject to the requirements of all applicable Federal and State  
18 statutory and regulatory requirements. Notwithstanding changes in the funding sources and  
19 amounts identified in Attachment A, disbursements for the Project from HOME Program funds  
20 will be contingent upon the County's receipt, review and approval of highly reliable evidence  
21 acceptable to County in its sole discretion that the Borrower has obtained or will obtain all  
22 funding to meet the Project development costs. Evidence may include, but not be limited to,  
23 funding commitments and/or loan documentation from other lenders.

24 2. The County, at its sole discretion, may accept any of the following as  
25 repayment of HOME funds disbursed to the Borrower for construction of the Project; a) cash  
26 payments from the Borrower; b) secondary financing security documents in the form of  
27 promissory notes and deed of trusts to eligible homebuyers in aggregate of Three Hundred  
28 Ninety Thousand Dollars (\$390,000); or c) a combination of these security documents and cash

1 payments from the Borrower in aggregate of Three Hundred Ninety Thousand Dollars  
2 (\$390,000). The County also agrees in the case that the total development cost exceeds the  
3 sales price the County will provide a development subsidy in the amount not to exceed  
4 \$124,123 toward the project which will reduce the amount owed on the loan. The Borrower  
5 agrees to sell the homes for no less than the appraised value of the maximum sales price  
6 allowed by all funders.

7 B. APPROVAL OF HOMEBUYERS:

8 The County shall review information provided by the Borrower to ensure the  
9 selected homebuyers for the two (2) HOME-assisted single family residences meet the  
10 County's Homebuyer Assistance Program (HAP) requirements. The combined maximum  
11 amount of the secondary loan assistance for the two (2) residences cannot exceed the Three  
12 Hundred Ninety Thousand Dollars (\$390,000) of HOME funds awarded to the Borrower. All  
13 homebuyers must receive a secondary loan from the County. The County will provide to the  
14 Borrower an approval letter that specifies the maximum amount of HOME subsidy available to  
15 each homebuyer to aid in the purchase of a home. The Borrower must follow HUD's Part 5  
16 definition of annual income as defined in 24 CFR § 5.609 to determine initial eligibility. Each  
17 eligible homebuyer is required to invest, of their own funds, a minimum of one and a half  
18 percent (1.5%) of the home sales price (total development cost) towards the purchase of their  
19 home. The County may choose to credit the value of sweat equity earned by each homebuyer  
20 as part of this required homebuyer investment. The County requires each HAP applicant  
21 attend a sixteen-hour homeownership course comprised of an eight-hour pre-purchase course  
22 and an eight-hour maintenance course. The County may allow eligible homebuyers, who  
23 purchase homes in the Habitat Riverdale Development, to credit their construction labor  
24 experience as a substitute for the eight-hour maintenance course requirement.

25 C. LOAN DOCUMENTS:

26 1. Promissory Note: The County will prepare a Promissory Note for  
27 execution by the Borrower ("Note") in a form and content acceptable to the County, in the  
28 County's sole discretion. Said Promissory Note will set forth the terms and conditions and plan

1 for repayment of the Three Hundred Ninety Thousand Dollars (\$390,000) HOME loan and  
2 other fees or charges, including but not limited to liquidated damages, if applicable. HOME  
3 loan funds shall be utilized to assist with the construction of two (2) affordable single family  
4 residences. The Borrower shall provide a performance bond and a labor and materials  
5 (payment) bond or other equivalent security instrument approved by the County, as security for  
6 the Note.

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

15                   D. LABOR COMPLIANCE:

16                   1. The County shall verify with the Labor Relations Division of HUD that  
17 any contractor contracted for this Project has not been debarred or suspended from  
18 participating in Federal projects in accordance with Section IV, Paragraph B-5 of this  
19 Agreement. The County will provide Borrower with written notification that this requirement has  
20 been met.

21                   2. The County shall attend the pre-construction meeting between the  
22 Borrower and any project or construction management company contracting with the Borrower  
23 (whether those construction contractors are contracting directly with the Borrower or indirectly  
24 through the Borrower's project or construction management company) to discuss labor  
25 compliance requirements for the Project, monitor Project records. The County may conduct  
26 field reviews to ensure that labor compliance and other conditions of the contract have been  
27 met.

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1           III. PROJECT SUBJECT TO ENVIRONMENTAL CLEARANCE and RELEASE OF  
2           FUNDS

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

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

10          IV. OBLIGATIONS OF THE BORROWER

11           A. FUNDING:

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

17                   2. The Borrower will provide any and all sums of money in excess of  
18 Three Hundred Ninety Thousand Dollars (\$390,000) that may be necessary to complete the  
19 Project. Prior to disbursement of County HOME loan funds, the Borrower shall secure or  
20 obtain firm commitments from other funding sources for any and all sums of money in excess  
21 of Three Hundred Ninety Thousand Dollars (\$390,000) that may be necessary to complete the  
22 Project. The Borrower will provide evidence of such commitments of funds satisfactory to the  
23 County, as specified in Section I, Paragraph E-2 of this Agreement. The failure to secure all  
24 sums of money in excess of Three Hundred Ninety Thousand Dollars (\$390,000) that may be  
25 necessary to complete the Project, shall be deemed a material breach of this Agreement as  
26 discussed in Section VII, Paragraph E of this Agreement.

27                   3. Borrower, as the Developer of the Project, is responsible to acquire  
28 financing for the Project's construction, arrange for payment of construction costs, ensure the



1 Project is built within plans and specifications, provide required insurance coverages, select  
2 eligible homebuyers to build and purchase the two single-family residences and ensure those  
3 homebuyers are able to acquire permanent financing.

4 4. Prior to any disbursement of funds, the Borrower shall provide to the  
5 County file documentation for each selected homebuyer to include verification of such  
6 homebuyer's income eligibility, credit history and verification of income source(s). All selected  
7 homebuyers must also meet the requirements for the County's Homebuyer Assistance  
8 Program.

9 5. The Borrower shall require that all documents with other lenders to the  
10 Project include a clause stating that all Notice of Default statements be provided to the County  
11 and any and all other interested parties, including all co-owners, all limited partners, and all  
12 senior lenders of the Project; who shall all have thirty (30) days, or such longer applicable cure  
13 period as set forth in the Promissory Note, to cure said default. During said cure period, the  
14 County shall forebear from taking any action to perfect its default remedies.

15 6. The Borrower agrees to provide the County a summary of the total  
16 Project expenses, within ninety (90) days of Borrower's receipt of Certificates of Occupancy for  
17 the two (2) residences, outlining the total development cost associated with Habitat Riverdale  
18 Development. In the event the total Project cost is less than the current estimated total Project  
19 cost of Four Hundred and Seventy Eight Thousand Dollars (\$478,000), the Borrower will notify  
20 the County of such saving. The County may at its sole discretion, reduce the County's  
21 contribution equal to the amount saved. If the County contribution is reduced, each individual  
22 homebuyer's amount of secondary financing will be reduced to reflect the actual development  
23 cost for the residence. The repayment of the funds not provided as secondary financing must  
24 be paid back to the County within ninety (90) days of Borrower's receipt of the Certificate of  
25 Occupancy.

26 7. The Borrower will provide to the County a final accounting of all funds  
27 utilized for Project completion for the purpose of documenting matching funds to HUD (i.e.,  
28 twenty-five percent (25%) of the County's HOME loan) to the Project from other non-Federal

sources in accordance with 24 CFR § 92.220. There is no matching funds requirement under this project agreement.

B. DEVELOPMENT:

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

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

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

4. Prior to award of the construction contract, the Borrower will provide the County an independent cost-estimate for the Project to determine cost-reasonableness in order to obtain from the County written approval of the contractor, the award, amount of the contract, and the final Project budget. Prior to the date the construction is to begin, the

1 Borrower will provide both the contractor and the County with a copy of the Notice to Proceed.

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

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

12 7. The Borrower will conduct a pre-construction meeting with the  
13 contractor and will notify the County at least five (5) working days prior to the meeting, so that a  
14 representative of the County can be in attendance to discuss HOME labor compliance  
15 requirements and the applicable Section 3 and MWBE policies for the Project. Attachment B to  
16 this Agreement, which is incorporated herein by reference, provides the required Section 3  
17 compliance forms to be provided by the County to the Borrower and the contractor to complete  
18 and return to the County.

19 8. Prior to the start of construction, the Borrower will secure all required  
20 permits from the County of Fresno. The Borrower will provide to the County copies of all such  
21 permits.

22 9. The Borrower shall comply with the mitigation measures and  
23 conditions identified in Environmental Assessment No. 6904, which is incorporated herein by  
24 reference.

25 C. DISBURSEMENT:

26 1. The Borrower may not request disbursement of loan funds under this  
27 Agreement until all conditions stated under Section III, Section IV, Section V and Section VI of  
28 this Agreement have been satisfied. HOME loan funds will be distributed to the Borrower on a

reimbursement basis for actual eligible costs.

D. LOAN DOCUMENTS:

1. Prior to execution of the County's loan documents, the Borrower shall submit for the County's review all loan documents and related security documents, and any and all other related documents, and any amendments thereto, including the required deed restrictions from other funding sources.

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

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

E. COMPLIANCE:

1. The Borrower will provide the County with copies of all potential homebuyers to be approved for the purchase of a home for County's review and approval.

2. The Borrower will comply with all Federal regulations (including, but not limited to: 24 CFR Parts 91, 92 and 135) governing the use of HOME funds and 24 CFR Parts 91 and 92, and specifically Sections 92.203 Income Determinations, 92.205 Eligible Activities-General, 92.206 Eligible Project Costs, 92.207 Eligible Administrative and Planning Costs, 92.214 Prohibited Activities, Sec. 92.250 Maximum Per-Unit Subsidy Amount and Subsidy Layering, , 92.350 Other Federal Requirements and Nondiscrimination, 92.202, and 92.250 Fair Housing and Equal Opportunity, 92.351 Affirmative Marketing; Minority Outreach Program, 92.353 Displacement, Relocation, and Acquisition, 92.356 Conflict of Interest, 92.503 Program Income, Repayments, and Recaptured Funds, 92.505 Applicability of Uniform Administrative Requirements and 92.354 Labor Provisions; Borrower to comply with all prevailing wage requirements, as they may apply. Borrower to provide access to all original documents and provide copies as requested by the County and HUD.

V. CONFORMANCE WITH APPLICABLE LAWS AND REGULATIONS

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

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

6 Because the Borrower will borrow at least One Hundred Thousand Dollars  
7 (\$100,000) for the Project from the County's HOME Program under this Agreement, the  
8 Borrower will complete and submit to the County a "Certification for Contracts, Grants, Loans  
9 and Cooperative Agreements" form and a "LLL-Disclosure of Lobbying Activities" form.  
10 Likewise, before the Borrower awards a contract using at least One Hundred Thousand Dollars  
11 (\$100,000) of such HOME loan funds, the Borrower will require the consultant and/or contractor  
12 and all their sub-consultants and/or subcontractors to complete and submit the two (2) forms  
13 described hereinabove to both the Borrower and the County.

14 VI. INSURANCE

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

18 A. PROPERTY INSURANCE:

19 A policy of Property Insurance to the extent of not less than one hundred  
20 percent (100%) of the actual full replacement cost (without depreciation) of all buildings and  
21 improvements located on the Property, insuring against loss or damage by fire, extended  
22 coverage perils and such other hazards, casualties or other contingencies (other than damage  
23 from earthquakes) as from time to time may be reasonably required by the County of Fresno.

24 The Borrower will obtain endorsements to the Property Insurance naming  
25 the County of Fresno, its officers, agents, and employees, individually and collectively, as  
26 additional insured, but only insofar as the operations under this Agreement are concerned.  
27 Such coverage for additional insured will apply as primary insurance and any other insurance,  
28 or self-insurance, maintained by the County, its officers, agents and employees shall be excess

only and not contributing with insurance provided under the Borrower's policies herein. This insurance shall not be cancelled or changed without a minimum of thirty (30) days advance written notice given to the County.

B. COMMERCIAL GENERAL LIABILITY INSURANCE:

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

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

C. AUTOMOBILE LIABILITY INSURANCE:

Comprehensive Automobile Liability Insurance with limits for bodily injury of not less than Two Hundred Fifty Thousand Dollars (\$250,000) per person, Five Hundred Thousand Dollars (\$500,000) per accident and for property damages of not less than Fifty Thousand Dollars (\$50,000) or such coverage with a combined single limit of Five Hundred Thousand Dollars (\$500,000). Coverage should include owned and non-owned vehicles used in connection with this Agreement.

D. PROFESSIONAL LIABILITY INSURANCE:

If the Borrower employs licensed professional staff (e.g., Ph.D., R.N., L.C.S.W., M.F.C.C., Engineer, Architect) in providing services, Professional Liability Insurance

1 with limits of not less than One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars  
2 (\$2,000,000) annual aggregate is required.

3 E. WORKER'S COMPENSATION INSURANCE:

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

6 Within thirty (30) days of the date the Borrower signs this Agreement, the  
7 Borrower will provide certificates of insurance and endorsement as stated above for all of the  
8 listed policies, as required herein, to the County of Fresno, Community Development Division,  
9 Affordable Housing Programs Manager, 2220 Tulare Street, 6th Floor, Fresno, CA 93721,  
10 stating that such insurance coverages have been obtained and are in full force; that the County  
11 of Fresno, its officers, agents and employees will not be responsible for any premiums on the  
12 policies; that such Commercial General Liability Insurance names the County of Fresno, its  
13 officers, agents and employees, individually and collectively, as additionally insured, but only  
14 insofar as the operations under this Agreement are concerned; that such coverage for  
15 additional insured shall apply as primary insurance and any other insurance, or self-insurance,  
16 maintained by the County, its officers, agents and employees, shall be excess only and not  
17 contributing with insurance provided under the Borrower's policies herein; and that this  
18 insurance shall not be cancelled or changed without a minimum of thirty (30) days advance,  
19 written notice given to the County.

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

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

26 F. BOND INSURANCE:

27 Borrower acknowledges as a condition of receiving County HOME funds  
28 that the Borrower shall provide a performance bond and a labor and materials (payment) bond

1 or other equivalent security instrument approved by the County, as security for the Note.

2 Borrower understands and acknowledges that the aforementioned  
3 requirements are a condition precedent to Borrower's receipt of any County HOME funds and  
4 that Borrower's failure to obtain a performance bond and/or a payment bond or other equivalent  
5 security instrument approved by the County shall be considered a material breach of this  
6 Agreement.

7 VII. GENERAL REQUIREMENTS AND POLICIES

8 A. LOAN DISBURSEMENT:

9 1. Amount: The total amount of HOME funds available to be loaned for  
10 the Project shall not exceed the total sum of Three Hundred Ninety Thousand Dollars  
11 (\$390,000).

12 2. Disbursement Requests

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

19 b. Requests for disbursement shall be accompanied by  
20 supporting documentation acceptable to the County detailing the items comprising the total  
21 sought to be reimbursed, such as invoices or vouchers for services or materials purchased,  
22 contractors' costs or other costs chargeable to the Project. After appropriate review and  
23 progress inspection, the County shall make disbursements to the Borrower from HOME loan  
24 funds provided in this Agreement for all verified eligible costs specified herein. The Project's  
25 proposed disbursement schedule is provided in Attachment C to this Agreement, which is  
26 incorporated herein by reference.

27 ///

28 ///



1 c. All requests for disbursement and supporting  
2 documentation shall be sent to:

3 Affordable Housing Programs Manager  
4 Department of Public Works and Planning  
5 Community Development Division  
6 2220 Tulare Street, 6th Floor  
7 Fresno, CA 93721

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

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

17 4. Outside Agreements: The County will not be bound by any agreement  
18 between the Borrower and any of its partners, agents, employees or subcontractors. The  
19 County will be bound only by the terms of this Agreement. It is understood and agreed by the  
20 parties hereto that no third party beneficiary status or rights are created by or under this  
21 Agreement and that no other person, firm, corporation, or entity shall be deemed a third party  
22 beneficiary of this Agreement.

23 5. Generally Accepted Accounting Principles: The Borrower will establish  
24 accounting and bookkeeping procedures in accordance with Generally Accepted Accounting  
25 Principles (GAAP) and standard bookkeeping practices, including, but not limited to, employee  
26 timecards, payrolls and other records of all transactions to be paid with HOME loan funds in  
27 accordance with the performance of this Agreement. All records and accounts will be available  
28 for inspection by the County, the State of California, the Federal government and if applicable,  
the Comptroller General of the United States or any of their duly authorized representatives, at

1 all reasonable times for a period of at least five (5) years following the termination or expiration  
2 of this Agreement or the closure of all other related pending matters, whichever is later. The  
3 Borrower will certify accounts when required or requested by the County.

4 B. AUDITS:

5 The Borrower is required to comply with the provisions of the Single Audit  
6 Act of 1984 (31 USC Sections 7501 et seq.), as amended. Whenever the Borrower receives  
7 HOME loan funds from the County for a project, a copy of any audit performed by the Borrower  
8 in accordance with said Act will be forwarded to the Affordable Housing Programs Manager  
9 within nine (9) months of the end of any fiscal year in which loan funds were distributed,  
10 borrowed, and/or outstanding for the Project. Failure to perform the requisite audit functions as  
11 required by this paragraph may result in the County performing any necessary audit task or, at  
12 the County's option, in the County contracting with a public accountant to perform the audit. All  
13 audit costs related to the Borrower's failure to perform the requisite audit are the sole  
14 responsibility of the Borrower and such audit work costs incurred by the County shall be billed  
15 to the Borrower as determined by the County's ACTTC. The Borrower agrees to take prompt  
16 and appropriate corrective action on any instance of material non-compliance with applicable  
17 laws and regulations.

18 C. INDEMNIFICATION:

19 The Borrower will indemnify, save, hold harmless, and at the County's  
20 request, defend the County, its partners, officers, agents, and employees from and against any  
21 and all costs and expenses, damages, liabilities, claims and losses whatsoever, occurring or  
22 resulting to the County in connection with the performance, or failure to perform, by the  
23 Borrower, its partners, officers, agents, employees, or any persons, firms, or corporations  
24 furnishing or supplying work, services, materials, or supplies in connection with the  
25 performance of this Agreement, and from any and all claims and losses occurring or resulting  
26 to any person, firm, or corporation who may be injured or damaged, including damage, injury,  
27 or death arising out of or connected with the performance, or failure to perform, of the  
28 Borrower, its partners, officers, agents or employees under this Agreement.

1 D. TIME OF PERFORMANCE:

2 1. The term of this Agreement will commence on the date upon which this  
3 Agreement is executed by the County and will expire when the Period of Affordability ends  
4 fifteen (15) years after the date the Project is completed and closed in IDIS, or when the loan of  
5 Three Hundred Ninety Thousand Dollars (\$390,000) and such other amounts, including but not  
6 limited to liquidated damages, if applicable, as set forth in the Promissory Note, have been  
7 repaid.

8 2. The Project as described in Section I of this Agreement will commence  
9 on the day the Agreement is executed by the County and will be completed with construction  
10 within twelve (12) months of the construction start date.

11 3. The following schedule shall apply to the Project:  
12 a. Homebuyers secured by: October, 2017  
13 b. All other funding sources secured by: October, 2017  
14 c. Provide all necessary documents to execute loan  
15 documents by: October, 2017  
16 d. Begin Construction by: October, 2017  
17 e. Record Notice of Completion by: May, 2018

18 4. The Borrower will give immediate written notification to the Director of  
19 the County Department of Public Works and Planning, or his designee, of any events that  
20 occur, which may affect the Project Schedule and completion date noted above, or any event  
21 that may have significant impact upon the Project or affect the attainment of the Project's  
22 objectives. The Project's proposed schedule is provided in Attachment D to this Agreement,  
23 which is incorporated herein by reference. The Director of the County Department of Public  
24 Works and Planning, or his designee, is authorized to make adjustments in the Project  
25 schedule if, in the Director's or his designee's judgment, the delays are beyond the control of  
26 the parties involved.

27 ///

28 ///

1                   E.    BREACH OF AGREEMENT:

2                   In the event the Borrower fails to comply with any of the terms of this  
3 Agreement, the County may, at its option, deem the Borrower's failure to be a material breach  
4 of this Agreement and utilize any of the remedies set forth in 24 CFR § 85.43 or that it deems  
5 appropriate. Should the County deem a breach of this Agreement to be a material breach; the  
6 County will immediately be relieved of its obligations to make further loan disbursements as  
7 provided herein. Termination of this Agreement due to breach will not, in any way whatsoever,  
8 limit the rights of the County in seeking any other legal relief in a court of law or equity,  
9 including the recovery of damages. In addition to the Agreement being terminated by the  
10 County in accord with a material breach of this Agreement by the Borrower, the County in  
11 accord with 24 CFR § 85.44 may also terminate this Agreement for convenience.

12                   F.    TERMINATION:

13                   1.    Non-Allocation of Funds: The terms of this Agreement, and the funds  
14 provided thereunder, are contingent on the award and/or commitment of funds by HUD to the  
15 County, and to the award and/or commitment of funds to the Project by the Sources of Funds  
16 identified in Attachment A of this Agreement. Should HUD fail to award County funds, or  
17 should the County determine in its sole discretion that sufficient funds have not been allocated  
18 by other sources to complete the development of the two (2) single family residences  
19 comprising the Project, the County may terminate this Agreement by giving the Borrower thirty  
20 (30) days advance written notice, and the Borrower shall promptly repay to the County any and  
21 all HOME loan funds previously paid, pursuant to all applicable laws and regulations.

22                   2.    Termination for Convenience: This Agreement may also be terminated  
23 for convenience by the County or HUD in accordance to the requirements of 24 CFR § 85.44.  
24 In addition, HUD has the ability to terminate this Agreement for convenience under 24 CFR §  
25 85.44. In the event the County or HUD terminates this Agreement solely for convenience, the  
26 Borrower promptly shall repay to the County any and all HOME loan funds, pursuant to all  
27 applicable laws and regulations. However, in the event of termination, the County, at its sole  
28 discretion, may negotiate with the Borrower alternate terms of repayment of HOME loan funds.

1                   3. For Cause: The County may elect to terminate this Agreement for  
2 cause as set forth in Paragraph E of this Section VII.

3                   G. VENUE; GOVERNING LAW:

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

8                   H. INDEPENDENT CONTRACTOR:

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

20                   Because of its status as an independent contractor, the Borrower shall have  
21 absolutely no right to employment rights and benefits available to County employees. The  
22 Borrower shall be solely liable and responsible for providing to, or on behalf of, its employees  
23 all legally required employee benefits. In addition, the Borrower shall be solely responsible and  
24 save the County harmless from all matters relating to payment of the Borrower's employees,  
25 including compliance with Social Security withholding, and all other laws and regulations  
26 governing such matters. It is acknowledged that during the term of this Agreement, the  
27 Borrower may be providing services to others unrelated to the County or to this Agreement.

28 ///

1 I. MODIFICATION:

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

4 J. NON-ASSIGNMENT:

5 Neither party shall assign, transfer or sub-contract this Agreement nor their  
6 rights or duties under this Agreement without the written consent of the other party. Any  
7 transfer or assignment without the County's prior consent shall be voidable and, at the County's  
8 sole discretion, shall constitute a material breach of this Agreement. No consent to any  
9 assignment shall constitute a further waiver of the provisions of this Section.

10 K. AUTHORIZATION AND NOTICES:

11 1. County Authority: The Director of the County's Department of Public  
12 Works and Planning, or his duly authorized designee, at his discretion, is hereby authorized to  
13 enter into and sign in the name of the County, all loan documents, security documents and  
14 other related documents, and any amendments thereto, subject to the prior review and  
15 approval of County Counsel and the Auditor-Controller/Treasurer-Tax Collector, as shall be  
16 necessary for the purpose of developing the Project as described in Section I of this  
17 Agreement. Additionally, in the County's experience, changes in circumstances frequently  
18 occur that require a quick response from the County, lest the project and/or its financing fail. In  
19 such cases, where the County's response is time-sensitive, the Director, or his duly authorized  
20 designee, hereby is authorized, but not required, to consent to the following below-noted  
21 matters in the name of the County, subject to the prior review and approval of County Counsel  
22 and the Auditor-Controller/Treasurer-Tax Collector: (1) changes to Attachments to this  
23 Agreement that do not alter the terms of the Agreement or substantively alter the scope of the  
24 Project; (2) non-substantive changes to the scope of the Project, so long as the Director or his  
25 designee determines that the Project remains eligible under the Federal HOME regulations; (3)  
26 changes of funding sources from those specific other entities named in Attachment A, so long  
27 as the Director or his designee determines that the Project remains eligible under the Federal  
28 HOME regulations and this Agreement; (4) changes of the specific dollar amounts set forth in

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

9                   2. Borrower Authority: The Executive Director/CEO of Habitat for  
10 Humanity Fresno, Inc. has authority to enter into and sign this Agreement, and the loan,  
11 security and all other related documents, and any amendments thereto on behalf of the  
12 Borrower, as shall be necessary for the purpose of borrowing the funds to develop the Project  
13 as described in Section I of this Agreement.

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

16                   County:

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

24                   Borrower:

25                   Habitat for Humanity Fresno, Inc.  
26                   Attention: Executive Director/CEO  
27                   4991 E. McKinley, Suite 123  
28                   Fresno, CA 93727

L. ENTIRE AGREEMENT:

This Agreement constitutes the entire Agreement to date between the

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

M. EFFECTIVE DATE:

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

N. DISCLOSURE OF SELF-DEALING TRANSACTIONS:

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

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

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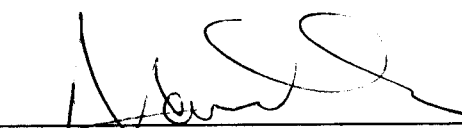
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1 IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth  
2 above.

3 HABITAT FOR HUMANITY FRESNO, INC.  
4 a Domestic Non-profit Corporation


5  
6 By:   
Matthew Grundy, Executive Director/CEO

7  
8 Date: 6/7/17

9  
10  
11 By:   
12 Randy Kammerer, Board President

13  
14 Date: June 7, 2017


15  
16  
17 REVIEWED AND RECOMMENDED  
18 FOR APPROVAL

19 By:   
20 Steven E. White, Director  
21 Department of Public Works and  
22 Planning

23 FUND NO: 0001  
24 SUBCLASS NO: 10000  
25 ORG NO: 55122008  
26 ACCOUNT NO: 7295

27 SW:YQ:jc  
28 G:\7205ComDev\Agendas-Agreements\2017\0711\_HabitatRiverdaleDevelopment\_AGT.doc  
June 5, 2017

COUNTY OF FRESNO

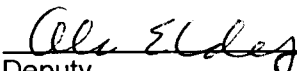
  
Brian Pacheco, Chairman  
Board of Supervisors

Date: July 11, 2017

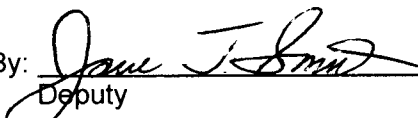
ATTEST: Bernice E. Seidel, Clerk  
Board of Supervisors

By: 

APPROVED AS TO ACCOUNTING FORM  
Oscar J. Garcia, CPA  
Auditor-Controller/ Treasurer - Tax

By:   
Deputy

APPROVED AS TO LEGAL FORM  
Daniel C. Cederborg, County Counsel

By:   
Deputy

REMIT TO:

Habitat for Humanity Fresno, Inc.  
Attention: Executive Director/CEO  
4991 E. McKinley, Suite 123  
Fresno, CA 93727  
Telephone: (559) 237-4102

## 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).

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

## ATTACHMENT A

### Sources and Uses of Funds are anticipated as follows:

|                                       |           |
|---------------------------------------|-----------|
| 1. County of Fresno (HOME Loan Funds) | \$390,000 |
| 2. Self-Help Enterprises (Loan)       | 60,000    |
| 3. Habitat for Humanity Fresno, Inc.  | 28,000    |
| <hr/>                                 |           |
| Total Sources                         | \$478,000 |

### Uses of Funds:

|                      |           |
|----------------------|-----------|
| 1. Land Cost         | \$60,000  |
| 2. Construction Cost | \$418,000 |
| <hr/>                |           |
| Total Project Cost   | \$478,000 |

## **ATTACHMENT B**

### **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 Name (representative), as official representative of Contractor Name (Contractor) agree to comply with Section 3 requirements for the Subject Property (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%      | 100%     | 120%      |
|----------------|-----------|-----------|-----------|-----------|----------|----------|-----------|
| 1              | \$ 12,400 | \$ 20,650 | \$ 24,780 | \$ 26,810 | \$33,000 | \$41,250 | \$ 49,500 |
| 2              | \$ 14,150 | \$ 23,600 | \$ 28,320 | \$ 30,630 | \$37,700 | \$47,120 | \$ 56,550 |
| 3              | \$ 15,900 | \$ 26,550 | \$ 31,680 | \$ 34,450 | \$42,400 | \$53,000 | \$ 63,600 |
| 4              | \$ 17,650 | \$ 29,450 | \$ 35,340 | \$ 38,260 | \$47,100 | \$58,870 | \$ 70,650 |
| 5              | \$ 19,100 | \$ 31,850 | \$ 38,220 | \$ 41,350 | \$50,900 | \$63,620 | \$ 76,350 |
| 6              | \$ 20,500 | \$ 34,200 | \$ 41,040 | \$ 44,400 | \$54,650 | \$68,310 | \$ 81,970 |
| 7              | \$ 21,900 | \$ 36,550 | \$ 43,860 | \$ 47,490 | \$58,450 | \$73,060 | \$ 87,670 |
| 8              | \$ 23,300 | \$ 38,900 | \$ 46,680 | \$ 50,530 | \$62,200 | \$77,750 | \$ 93,300 |

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 then stop, if NO then 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.

\_\_\_\_\_  
Company

\_\_\_\_\_  
Project

\_\_\_\_\_  
Project Number

NOTE: This document must be submitted with bid documents.

\_\_\_\_\_  
Person Completing Form:

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

**SECTION 3 Contracts / Subcontracts Breakdown**

| Type of Contract<br>(Business or<br>Profession) | Total<br>Number | Total Approx.<br>Dollar Amount | Estimated No. of<br>Contracts to<br>Section 3 Businesses | Estimated Dollar<br>Amount to Sec. 3<br>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<br>Y/N | Address/Telephone | Trade/Service<br>or Supply | Contract<br>Amount | Award Date | Competitive or<br>Negotiated Bid | Federal<br>Identification<br>No. |
|-----------------------|--------------|-------------------|----------------------------|--------------------|------------|----------------------------------|----------------------------------|
|                       |              |                   |                            |                    |            |                                  |                                  |
|                       |              |                   |                            |                    |            |                                  |                                  |
|                       |              |                   |                            |                    |            |                                  |                                  |
|                       |              |                   |                            |                    |            |                                  |                                  |
|                       |              |                   |                            |                    |            |                                  |                                  |
|                       |              |                   |                            |                    |            |                                  |                                  |
|                       |              |                   |                            |                    |            |                                  |                                  |

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

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Company

\_\_\_\_\_  
Project

\_\_\_\_\_  
Project Number

\_\_\_\_\_  
Person Completing Form

## ATTACHMENT C

### Project Disbursement Schedule

| Draw No. | Percentage of Funds      | Date of Disbursement | Maximum Amount Disbursed | Amount Remaining |
|----------|--------------------------|----------------------|--------------------------|------------------|
| 1.       | Deposit at escrow        | N/A                  | \$0                      | \$390,000        |
| 2.       | First construction draw  | By October 2017      | \$75,000                 | \$315,000        |
| 3.       | Second construction draw | By November 2017     | \$75,000                 | \$240,000        |
| 4.       | Third construction draw  | By January 2018      | \$75,000                 | \$165,000        |
| 5.       | Fourth construction draw | By March 2018        | \$75,000                 | \$90,000         |
| 6.       | Final construction draw  | By May 2018          | \$90,000                 | \$0              |
|          | <b>Total Amounts</b>     |                      | <b>\$390,000</b>         | <b>\$0</b>       |

## ATTACHMENT D

| PROJECT TIMELINE                   |                |
|------------------------------------|----------------|
| ACTION                             | PROPOSED DATE  |
| Site Control                       | August 2017    |
| All city Planning Approvals        | October 2017   |
| Developer Application to County    | July 2017      |
| Final loan docs to County          | September 2017 |
| Building Permits                   | October 2017   |
| Purchase/Construction Loan Closing | May 2018       |
| Construction Start                 | October 2017   |
| Market Units                       | July 2017      |
| Construction Complete              | May 2018       |
| Sale of Houses Complete            | August 2018    |
| Permanent Loan Closing             | August 2018    |