

Certification Regarding Non-Application of Relocation Benefits and Indemnification Agreement

The Villages at Broadway

Certification Regarding Non-Application of Relocation Benefits

This document is used by the Sponsor of a housing project to show and certify that no relocation plan was necessary for the project. The certification is regarding a certain project known as The Villages at Broadway (formerly known as Econo Inn), located at 1828 Broadway Ave., Fresno, California (the "Project").

This Certification is made by Housing Authority of the City of Fresno, and the County of Fresno (collectively the "Sponsor"), for the benefit of the Department of Housing and Community Development, a public agency of the State of California, its successors and assigns (the "Department"), and is dated as of March 25, 2020, for reference purposes. The Sponsor, through its organizational structure, control The Villages at Broadway, LP, a California limited partnership (the "Borrower"), which owns the aforementioned Project.

In conducting its due diligence, the Department requested that the Sponsor provide any and all information relating to potential relocation issues involving the Project. In response, Sponsor provided the Department the following information and documents supporting its position that no relocation was necessary. The documents listed below are incorporated by reference as **Exhibit A**:

1. Affordable Special Needs Housing Market Study, dated February 2019, prepared for Fresno Housing Authority (pages 17, 27, and 68 of the PDF)
 - "This market study is being prepared to assist Fresno Housing Authority, in determining if it is feasible to acquire and rehabilitate a vacant motel into an affordable multifamily housing complex under the 2019 market study guidelines of the California Tax Credit Allocation Committee (CTCAC)." (Page 26 of the PDF)
2. Email from Quincy Boren to HCDRelocation dated March 19, 2020 attached the following Purchase Agreement evidencing the owner-occupier and sale of such properties.
 - a. Purchase and Sale Agreement dated January 24, 2019 for Housing Authority of the City of Fresno to acquire 1828 and 1840 Broadway St, Fresno, CA 93721.

The Villages at Broadway (FKA Econo Inn) is a 26 unit conversion project with 25 zero-bedroom units serving households with incomes ranging from 20-60 percent of Area Median Income (AMI), and 1 one-bedroom manager's unit(s). Of the total units, 12 zero-bedroom units will be reserved for NPLH qualified households with incomes at or below 30 percent AMI. Each unit will have air conditioning, disposal, dishwasher, walk-in closet, blinds, storage area, and a balcony. On-site amenities include a laundry room, community room, community kitchen, and BBQ area. Off-site amenities, located within two miles of the project, include City of Fresno public transit route 26, Food Maxx, Moniff Market grocery store, EOC Health center, Dicky playground, Fink White public park, Kepler neighborhood school and multiple places for employment opportunities.

The Sponsor was awarded \$3,303,884.00 No Place Like Home (NPLH) funds. All Department funding, including but not limited to those funds that are described above and any and all other HCD funding (loans or grants) that may have not have been awarded or identified at the time of the execution of this document, is collectively referred to as "Department Funding." The Sponsor fully warrants and represents, as detailed here, that the Project is not subject to Relocation Law as described below.

Sponsor acknowledges the following:

Relocation as a body of law is detailed under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("Federal Relocation Law"); California Government Code 7260 et seq, and the Relocation Regulations (Title 25 of the California Code of Regulations Section 6000 et seq) ("State Relocation Law"). Collectively "Federal Relocation Law" and "State Relocation Law" are referred to hereinafter as "Relocation Law".

Sponsor acknowledges that Federal and State Relocation Assistance laws provide uniform, fair and equitable treatment for persons whose real property is acquired or who are displaced as a result of government or government-assisted programs or projects. Tenant occupants who are displaced as a result of the acquisition may be eligible for all applicable relocation benefits. A tenant-occupant who moves as a result of a voluntary acquisition for a government-assisted project may be eligible for relocation assistance as a displaced person. Such displaced persons may include not only current lawful occupants, but also former tenants required to move for any reason other than an eviction for cause in accordance with applicable Relocation Law.

Sponsor has not used the services of a recognized relocation specialist in determining that relocation assistance is not applicable.

Representations

The Sponsor has represented to the Department the following: (a) that the new construction of the Project will not result in temporary or permanent relocation of any tenant

or owner-occupant; (b) the Project construction work will be done on vacant land and therefore no relocation will be required.

The Sponsor has also represented to the Department the following: (a) the vacant land was not intentionally created to be vacant so as to circumvent relocation law; (b) there was no owner-occupant or tenant or mobile home or business (which at minimum includes a parking business, billboards and other forms of outdoor advertising displays) or, farm previously on the vacant land; (c) no person or entity was required to move personal property from vacant land; (d) no advertising signs were lost in creation of the vacant land and (e) there was no 'displaced person' pursuant to Government Code 7260(b), (c) and (d); whereby a "displaced person" is a person who is entitled to relocation assistance when he or she must move from real property, or move personal property from real property, as a direct result of a notice of intent to acquire, or acquisition of real property for a program or project by a public entity, or acquisition by any person having an agreement with or acting on behalf of a public entity; (f) no prior lease (on the vacant land) was intentionally not renewed to create the vacant land; (g) no person's property was acquired in connection with a state or federally funded project; and (h) no person's property was displaced in connection with a state or federally funded project.

The Sponsor fully warrants and represents, and the Department relies upon Sponsor's representation as detailed herein, that the Project is not subject to Relocation Law. This certification of No Relocation encumbers all Department Funding.

Certification

Sponsor certifies the vacant land contains only an empty building which was not vacated for the Project (i.e. previous tenants were not displaced for the Project).

Sponsor certifies no previous occupants were displaced from their homes, businesses, or farms for the Department's Project as a result of an owner refusing to renew a lease, i.e. the property was not vacated for the Project.

Sponsor certifies that as a result of construction of the Project, no housing, business nor farm will be affected, no personal property was required to be moved, and no households will have to be displaced.

The undersigned, the Sponsor, do hereby certify as follows:

1. The foregoing is true and correct;
2. The Sponsor is duly authorized to execute, in its name, all documents and certifications required by the Department in order for it to carry out any construction of the Project and Sponsor will comply with Relocation Law requirements;

3. That the Department would not approve the construction of the Development without this certification; and

4. It is understood that if relocation benefits are found to be applicable then the Sponsor shall prepare a relocation plan and shall be solely responsible for providing the assistance and benefits as applicable and required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (California Government Code 7260 et seq), and the Relocation Guidelines (Title 25 of the California Code of Regulations Section 6000 et seq); and Sponsor shall indemnify and hold harmless the Department from any liabilities or claims for relocation-related costs; (see below Indemnity Agreement.).

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

SPONSOR:

Housing Authority of the City of Fresno,
public body corporate and politic

By: 
Preston Prince
CEO/Executive Director

AND

County of Fresno, a public entity

By: 
Ernest Buddy Mendes
Fresno County Board of Supervisor Chair

[Remainder of the page left blank. Indemnification Agreement follows on the next page of this Certification].

Indemnification Agreement

The purpose of the Indemnification Agreement is to allow the Department to be held harmless in connection with any and all potential legal costs and liabilities in conjunction with accepting certification from the Sponsor that permanent or temporary relocation was not necessary under Relocation Law. As part of the construction of the Project, Sponsor agrees to defend, indemnify, release and hold harmless the Department, its agents, officers, attorneys, employees, committees, successors and assignees from any and all claims, liabilities, damages, losses, attorney fees, expenses, costs, actions, or proceedings threatened, asserted, or brought against any of the foregoing individuals or entities related to or arising from the Project. This indemnification shall include, but not be limited to, all damages, liabilities, claims, costs, expenses, attorney fees or expert witness fees that may be asserted by any person or entity, including the Sponsor, except loss or liability suffered by the Department caused solely by the Department's sole negligence or willful misconduct. If, for any reason any portion of this Indemnification Agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect. The obligations of the Sponsor under this Indemnification Agreement shall be absolute and unconditional and shall survive the construction of the Project and all Department funding.

NOTE: The purpose of the Indemnification Agreement is to allow the Department to be held harmless in connection with any and all potential legal costs and liabilities in conjunction with accepting certification from Sponsor that no relocation plan was necessary.

SPONSOR:

Housing Authority of the City of Fresno,
public body corporate and politic

By: 
Preston Prince
CEO/Executive Director

AND

County of Fresno, a public entity

By: 
Ernest Buddy Mendes
Fresno County Board of Supervisor Chair

[Remainder of the page left blank. Exhibit A follows on the next page of this Indemnification Agreement]

Exhibit A

Consists of the following: