



1 B. On February 19, 2025, the Department issued a Notice of Funding Opportunity  
2 (“NOFO”) requesting applications for affordable housing projects for new construction or  
3 rehabilitation. SHE submitted an application to the County for HOME funds for **Selma Elderly**  
4 (“the Project”) on March 5, 2025. The Project’s name was changed at a later date to **Selma**  
5 **Heritage**. The Project consists of multifamily rental housing for senior citizens, aged 62+, and is  
6 located at **2745 Wright Street, Selma, CA 93662**. The County provided SHE with a reservation  
7 letter on March 13, 2025, indicating that \$1 million in HOME funds had been reserved,  
8 contingent upon final underwriting and subsidy layering analysis, securing all other funding  
9 necessary to complete the project, and satisfaction of the applicable provisions of the National  
10 Environmental Policy Act (“NEPA”). In June, SHE requested the County increase the  
11 reservation to \$2 million to make SHE’s application for the Project more competitive with the  
12 California Tax Credit Allocation Committee (“CTCAC”) Round 2, Nine Percent (9%) Application,  
13 which had a deadline of May 20, 2025. The Department issued a revised letter for \$2 million in  
14 HOME funding for the Project on June 20, 2025, with the same three conditions. The Selma  
15 Project was selected as a recipient of the State’s Round 2, 9% Low-Income Housing Tax Credit  
16 (“LIHTC”) funds on September 30, 2025.

17 C. The Project was listed in the County’s 2025-26 (Year 1) Action Plan for HOME funding,  
18 brought before the Board on August 5, 2025. Due to delays, the Project was also listed in the  
19 County’s 2026-27 (Year 2) Action Plan for HOME funding, brought before the Board on May 19,  
20 2026.

21 D. The Project consists of 24 one-bedroom/one-bathroom affordable rental units, of which  
22 23 will be restricted under LIHTC requirements to senior (62 years of age or older) households  
23 at varying income levels that will range from 30% to 50% of the County’s Area Median Income  
24 (“AMI”) at time of leasing. The two single-story buildings were constructed in 1979 as affordable  
25 housing, but the original period of affordability for the housing has lapsed and additional funds  
26 through this Project are necessary to address deferred maintenance needs and sustain the  
27 affordability of the units. The Owner must follow a Federally-compliant Uniform Relocation Act  
28 (“URA”) plan, which will provide housing, financial assistance, and moving/storage services to

1 tenants during renovations. The URA plan requires adherence to specific noticing requirements.  
2 Based upon the draft plan reviewed by the County, all tenants are expected to vacate their units  
3 temporarily and will be permitted to return to comparable units at the property upon completion  
4 of the renovations. The single unrestricted unit at the property is reserved for an on-site  
5 manager.

6 E. Due to the amount of HOME funds involved in the Project and the nature of the  
7 rehabilitation activity, the minimum Period of Affordability is 15 years following the closeout of  
8 the Project in the Federal IDIS database or successor system put in place by HUD. The  
9 closeout in IDIS typically occurs after the conversion from construction financing to permanent  
10 financing and after the County's closeout package has been submitted by the Owner.  
11 Recordation of a Notice of Completion upon completion of the Project is required, but this date  
12 does not determine the Federal regulatory compliance period. The Owner shall maintain the  
13 Project in full compliance with all applicable Federal requirements and its 11 HOME-assisted  
14 units for the duration of the Period of Affordability.

15 F. The COUNTY has verified prior to this Agreement's execution that Owner is:

- 16 a. Qualified to do business in the State of California (using entity number  
17 B20250294094, as filed with the Secretary of State);
- 18 b. In good standing with the California Secretary of State;
- 19 c. In good standing with the California Franchise Tax Board;
- 20 d. Neither suspended nor debarred from receiving Federal funds (using universal  
21 entity identification number FMU1UNXDPT71, as filed with SAM.gov).

22 G. SHE provided the County with documentation establishing the Managing General  
23 Partner as a Community Housing Development Organization ("CHDO"). The County has  
24 determined that the Owner and its CHDO are qualified to develop multifamily rental housing for  
25 persons of low income. Owner and its CHDO have the expertise, qualifications, and are willing  
26 and able to provide the Services pursuant to the terms and conditions of this Agreement.

27 H. The purpose of this Affordable Housing Agreement is to rehabilitate and maintain 11  
28 units of rental housing, affordable to households at or below 50% AMI at the Low HOME Rents

1 for a minimum of 15 years at the Project location, with the loan of the County's funds repaid  
2 over an extended period of time.

3 The parties therefore agree as follows:

#### 4 **Article 1**

#### 5 **Owner's Responsibilities**

6 1.1 **Scope of Work.** The Owner shall perform (or cause to be performed) all of the  
7 services provided in Exhibit A to this Agreement, titled "Scope of Services."

8 1.2 **Project Specifics.** The Owner shall utilize the specific definitions (including for the  
9 Period of Affordability), specifications, restrictions, limitations, and requirements included in  
10 Exhibit B to this Agreement, titled "Project Specifics" in the understanding and construction of  
11 intended meaning for the requirements contained herein. Definitions for Period of Affordability,  
12 Project, Property, and County-assisted Units as used throughout this Agreement are defined in  
13 Exhibit B.

14 1.3 **Funding & Funds Payable to the County.** The Owner agrees to receive funding in  
15 accordance with Exhibit C to this Agreement, titled "Funding & Funds Payable to the County."  
16 Definitions of Funding Sources Administered by the County, and Loan Documents, as  
17 applicable, are defined in Exhibit C.

18 1.4 **Self-Dealing Transactions and Identities of Interest.** The Owner agrees to report  
19 Self-Dealing transactions and Identity of Interest relationships in accordance with Article 11  
20 "Disclosure of Self-Dealing Transactions, Identity of Interest, and Conflict of Interest" below and  
21 Exhibit D, titled "Self-Dealing Transactions & Identity of Interest Disclosure Forms."

22 1.5 **Insurance.** The Owner shall secure, maintain, and report insurance in accordance  
23 with the requirements identified in Article 9 "Insurance" below and Exhibit E, titled "Insurance  
24 Requirements."

25 1.6 **HOME Funding Requirements.** The Owner shall ensure that all construction,  
26 ongoing operation, and maintenance of the Project and property are performed in strict  
27 accordance with the requirements in Exhibit F, titled "HOME Funding Requirements." The  
28 HOME funding requirements are largely based on 24 CFR Part 92, with additional citations to

1 certain cross-cutting Federal regulations applicable to all Federally-funded projects and other  
2 cross-cutting requirements applicable to all HUD-funded projects. All regulations cited may  
3 change from time to time, as amended by the corresponding Federal entity.

4 1.7 **Subordination.** With respect to the County-assisted units defined in Exhibit B, the  
5 Owner shall ensure the regulatory requirements, covenants, and restrictions set forth in this  
6 Agreement and its exhibits shall remain superior to any other encumbrance on the Property. In  
7 the event a separate encumbrance on the Property has a conflicting restriction or requirement,  
8 the stricter of the two shall apply. The County may, in its sole discretion, agree to subordinate its  
9 financial lien and debt repayment priority to senior financing, provided that such subordination  
10 does not terminate, negate, or impair the Owner's obligation to comply with the non-financial  
11 requirements of this Agreement.

12 1.8 **Representation.** The Owner represents that it is qualified, ready, willing, and able to  
13 perform all of the services provided in this Agreement.

14 1.9 **Compliance with Laws.** The Owner shall, at its own cost, comply with all applicable  
15 federal, state, and local laws and regulations in the performance of its obligations under this  
16 Agreement, including but not limited to workers compensation, labor, and confidentiality laws  
17 and regulations.

18 1.10 **References to Laws and Interpretation of Regulatory Guidance.** The Owner  
19 acknowledges and agree that any reference in this Agreement to a State requirement, Federal  
20 statute, administrative rule, or regulation, including but not limited to the Code of Federal  
21 Regulations ("CFR"), shall be deemed to include such statute or regulation in its entirety, along  
22 with all subparts, sections, appendices, and all other regulatory provisions or external citations  
23 explicitly or implicitly incorporated therein, as well as any subsequent amendments,  
24 modifications, or successor legislation thereto.

25 (A) Notwithstanding the foregoing, the application of subsequent amendments shall  
26 be distinguished as follows:

27 (1) Construction and Design Standards: Physical building codes, design  
28 specifications, and construction standards shall be governed by the laws and

1 regulations in effect at the time of project commitment or construction completion,  
2 and subsequent amendments shall not apply retroactively unless explicitly mandated  
3 by Federal, State, or local law.

4 (2) Operational, Eligibility, and Habitability Standards: All requirements governing  
5 ongoing property operations, tenant income eligibility, rent limits, lease compliance,  
6 and property habitability, maintenance, or physical inspection standards (including  
7 any successor federal inspection frameworks) shall apply dynamically as amended,  
8 updated, or replaced throughout the term of this Agreement.

9 (B) To the extent this Agreement incorporates specific summaries, details, or  
10 explanations for laypersons of these Federal requirements, including, but not limited to,  
11 the HUD HOME Investment Partnerships Program regulations at 24 CFR Part 92, such  
12 language is included solely as an administrative courtesy to facilitate compliance by the  
13 Owner, its general contractor, and its property management representatives. The  
14 inclusion of such explanatory text, or the omission of any statutory or regulatory  
15 provision herein does not constitute legal advice to the Owner and shall not be  
16 construed against the County. The Owner has consulted with its own independent legal  
17 counsel prior to entering into this Agreement and acknowledges and agrees that it  
18 maintains an independent and absolute obligation to ensure strict adherence to all  
19 applicable Federal, State, and local laws, regulations, and guidelines, regardless of the  
20 level of specificity or lack thereof provided in this Agreement.

## 21 **Article 2**

### 22 **County's Responsibilities**

23 2.1 **Period of Affordability and This Agreement's End of Term Date.** The County  
24 shall maintain and notice updates to the Project's dates.

25 (A) **Authorization to Update.** The Director of the County's Department of Public  
26 Works and Planning is authorized to issue Notice to amend in writing this Agreement's  
27 term as provided in Article 4, "Term of Agreement" below, in the County's system of  
28 record as follows:

1           (1) Identification of the Closeout Date. The County shall identify the Closeout  
2 Date as the date following completion of physical construction, following satisfaction  
3 of all closeout matters, and occurring specifically on the date of closeout of the  
4 Project in the Federal IDIS database.

5           (2) Updating the Period of Affordability. Following the completion and closeout of  
6 the construction phase in the Federal IDIS database, Department shall use the IDIS  
7 closeout date to calculate the end date for the Federal Period of Affordability. In  
8 accordance with Exhibit B, Table 3, the Department shall add fifteen (15) years and  
9 one (1) additional day to the IDIS closeout date to establish the official expiration of  
10 the Federal Compliance Period, which may be modified further subject to remedies  
11 available to the County under Article 6.

12           (3) Aligning the Agreement End Date. To account for the dynamic nature of the  
13 IDIS closeout date, the estimated final end date of this Agreement shall be modified  
14 by the Department to align with the full fifty-five (55) year loan term referenced in  
15 Exhibit B, Table 1, terminating exactly fifty-five (55) years after the date the Project is  
16 marked closed in IDIS.

17           (4) Administrative Term Adjustments. If the estimated end date in the County's  
18 system of record is expected to pass in the next sixty (60) days, but not all three (3)  
19 conditions described in Article 4.1 below have been satisfied, the estimated end date  
20 of this Agreement shall be modified by the Director to reflect a reasonably anticipated  
21 final satisfaction date.

22           (5) Formal Notification Mechanics. If this Agreement's end date is modified in  
23 the County's system of record under any provision of this Article, the Department  
24 shall document the programmatic reason for the modification and provide written  
25 notice to the Owner and all necessary entities identified in Article 5 below. Such  
26 written notice shall become part of this Agreement by reference.

27           (6) Delegated Authority. The County Board of Supervisor's delegated authority to  
28 execute specific types of documents necessary to complete and monitor the project's

1 compliance are identified in Exhibit G, titled "Limited Delegation of County's  
2 Authority."

3 2.2 **Security.** The County shall record security instruments, including the Federal HOME  
4 Regulatory Agreement and Declaration of Restrictive Covenants ("Regulatory Agreement"), to  
5 bind the HOME requirements to the land for the duration of the Period of Affordability. If this  
6 Project's funding is provided as a loan, the County shall also record a Deed of Trust and obtain  
7 an executed Promissory Note as further security of the County's investments.

8 2.3 **County's Obligations to Owner During the Period of Affordability.** The County  
9 shall:

10 (A) **Review.** Review requested changes to rents, lease agreement templates,  
11 affirmative marketing plans, and other documents needing County's written approval  
12 prior to modification in a timely manner.

13 (B) **Risk Assessment.** Perform a Risk Assessment of the Owner upon completion of  
14 Construction and regularly thereafter during the Period of Affordability, whereby the  
15 County's assessment of the Owner's risk of noncompliance informs the degree and  
16 frequency of the County's monitoring efforts.

17 (C) **Provide.** Provide annually the HUD-determined HOME rent limits, authorized  
18 utility allowances, and household income limits, and other required documents as noted  
19 in this Agreement, if needed.

20 (D) **Inspect.** Inspect County-assisted units and the Property in accordance with the  
21 HUD requirements in effect at the time of monitoring, and in accordance with the  
22 County's Risk Assessment Plan.

23 (E) **Fully Monitor During the Federal Compliance Period.** Monitor Owner for  
24 compliance with the requirements of the County's funding source and this Agreement  
25 throughout the Period of Affordability.

26 (F) Discuss, call, or meet with Owner as much as necessary to support the Project  
27 and ongoing Project compliance.

28 2.4 **County's Obligations to Owner During the Post-Regulatory Period.** The County

1 shall:

2 (A) **Minimally Monitor During the Post-Regulatory Period.** Monitor Owner for  
3 compliance with the requirements of this Agreement, including payment of residual  
4 receipts, maintaining property insurance, exterior inspections, Fair Housing, and State  
5 Reporting, throughout the Post-Regulatory Period of this Agreement.

6 (B) Discuss, call, or meet with Owner as much as necessary to support the Project  
7 and ongoing Project compliance.

### 8 **Article 3**

#### 9 **Funding, Invoices, and Payments**

10 3.1 **Funding to Owner.** The County agrees to provide, and the Owner agrees to receive,  
11 funding under this Agreement as described in Exhibit C to this Agreement, titled "Funding &  
12 Funds Payable to County."

13 3.2 **Payments to County.** The Owner agrees to pay and the County agrees to receive  
14 funds payable to the County as described in Exhibit C. The fees described below in Exhibit C of  
15 this Agreement were included and reviewed by the County during the underwriting process. In  
16 accordance with [24 CFR 92.214\(b\)\(2\)](#), all fees charged and collected by County under the  
17 provisions of this section shall be treated as applicable credits under [2 CFR 200.406](#). County  
18 shall not pursue the collection of any fees from the Owner if the expenses were not invoiced or  
19 communicated in writing to the Owner within 150 days of the date they were incurred.

20 3.3 **Maximum Funding.** The maximum funding payable to the Owner under this  
21 Agreement is **Two Million Dollars and No Cents (\$2,000,000.00)**. The Owner acknowledges  
22 that the County is a local government entity, and does so with notice that the County's powers  
23 are limited by the California Constitution and by State law, and with notice that the Owner may  
24 receive funding under this Agreement only for services performed according to the terms of this  
25 Agreement and while this Agreement is in effect, and subject to the maximum amount payable  
26 under this section. The Owner further acknowledges that County employees have no authority  
27 to pay the Owner except as expressly provided in this Agreement.

28 3.4 **Invoices.** The Owner shall submit invoices, in accordance with Exhibit C, to the





1 with a copy to:

2 Gubb & Barshay LLP  
3 235 Montgomery Street, Suite 1110  
4 San Francisco, CA 94104  
5 Attention: Lauren Fechter  
6 [email or phone?]

7 **If to the Managing General Partner:**

8 Selma Elderly LLC  
9 c/o Self-Help Enterprises  
10 8445 W. Elwin Court  
11 Visalia, CA 93291  
12 Attn: President and CEO  
13 [email]

14 with a copy to:

15 Gubb & Barshay LLP  
16 235 Montgomery Street, Suite 1110  
17 San Francisco, CA 94104  
18 Attention: Lauren Fechter  
19 [email or phone?]

20 **If to the Investor Limited Partner:**

21 NEF FRE Selma Heritage MTE LP  
22 540 W. Madison Street , Suite 1900  
23 Chicago, Illinois 60661  
24 Attention: General Counsel [email or phone?]

25 with a copy to:

26 NEF Assignment Corporation  
27 540 W. Madison Street, Suite 1900  
28 Chicago, Illinois 60661  
Attention: SVP Asset Management[email or phone?]

29 5.2 **Change of Contact Information.** Either party may change the information in section  
30 5.1 by giving notice as provided in section 5.3.

31 5.3 **Method of Delivery.** Each notice between the County and the Owner provided for or  
32 permitted under this Agreement must be in writing, state that it is a notice provided under this  
33 Agreement, and be delivered either by personal service, by first-class United States mail, by an  
34 overnight commercial courier service, or by Portable Document Format (PDF) document  
35 attached to an email.

36 (A) A notice delivered by personal service is effective upon service to the recipient.

37 (B) A notice delivered by first-class United States mail is effective three County

1 business days after deposit in the United States mail, postage prepaid, addressed to the  
2 recipient.

3 (C) A notice delivered by an overnight commercial courier service is effective one  
4 County business day after deposit with the overnight commercial courier service,  
5 delivery fees prepaid, with delivery instructions given for next day delivery, addressed to  
6 the recipient.

7 (D) A notice delivered by PDF document attached to an email is effective when  
8 transmission to the recipient is completed (but, if such transmission is completed outside  
9 of County business hours, then such delivery is deemed to be effective at the next  
10 beginning of a County business day), provided that the sender maintains a machine  
11 record of the completed transmission.

12 **5.4 Change of Common Electronic Transmission.** Due to the significant length of this  
13 Agreement's term and the 2024 updates to Title II of the Americans with Disabilities Act  
14 adopting Web Content Accessibility Guidelines Version 2.1, Level AA, it is foreseeable that a  
15 PDF as the standard, static, protected electronic document attachment type may not remain  
16 constant for the duration of this Agreement. Either party may propose to change the final  
17 (currently PDF) acceptable notice format via email identified in section 5.3 to a new or different  
18 attachment type. That new attachment type may be adopted upon mutual written consent of all  
19 parties without need for further amendment of this Agreement.

20 **5.5 Claims Presentation.** For all claims arising from or related to this Agreement,  
21 nothing in this Agreement establishes, waives, or modifies any claims presentation  
22 requirements or procedures provided by law, including the Government Claims Act (Division 3.6  
23 of Title 1 of the Government Code, beginning with section 810).

24 **5.6 Noticed Correspondence.** The following non-inclusive list of items provides  
25 guidance on the differentiation between correspondence on the project and material that must  
26 be formally noticed.

27 (A) **Correspondance.**

28 (B) **Non-Inclusive List of Things That Require Notice.**

1  
2 **Article 6**

3 **Termination, Noncompliance, and Suspension**

4 6.1 **Termination for Non-Allocation of County-Administered Funds.** The terms of  
5 this Agreement are contingent on the approval of funds by the appropriating government  
6 agency. At point of execution, the County warrants that it has been awarded sufficient funds to  
7 cover the full cost of the maximum compensation specified herein. However, as Exhibit B  
8 indicates, at any point in time, without the County's consent, funds previously awarded to the  
9 County may be de-obligated, so the County is unable to make an unconditional guarantee of  
10 funding availability. The County shall immediately notify all parties to this Agreement if the  
11 County believes the funds to be at risk of de-obligation, or if the County receives a notice from  
12 the appropriating government agency that funds will be de-obligated. If funds the County had  
13 relied upon to satisfy the costs of this Agreement are not allocated, then the County, upon at  
14 least 30 days' advance written notice to the Owner, may:

15 (A) **Modify.** Modify the sources of funds provided for the Project via a duly  
16 authorized amendment to ensure all property regulatory requirements are included and  
17 revised security instruments are recorded; or

18 (B) **Terminate.** Terminate this Agreement.

19 6.2 **Noncompliance. Termination for Breach. Remedies for Breach.**

20 (A) **Notice.** Upon determining that a breach, as defined in paragraph (E) below, has  
21 occurred, the County may give written notice of the breach to the Owner, in accordance  
22 with Article 5 of this Agreement. The written notice may suspend performance under this  
23 Agreement and must provide at least sixty (60) days for the Owner to cure the breach.

24 (B) **Results of Owner's Failure to Cure. Remedies Available to County.** If the  
25 Owner fails to cure the breach to the County's satisfaction within the time stated in the  
26 written notice, the County may:

27 (1) Terminate this Agreement immediately, effective on the date stated on the  
28 notice of termination; or

1 (2) Freeze payments from County to Owner or delay completion of the Project  
2 until deficiencies or documentation gaps are corrected; or

3 (3) Require the Owner and its Managing General Partner to create and adhere to  
4 a Corrective Action Plan in which all Findings and Observations are addressed to the  
5 County's satisfaction and the corrective actions are proportional to the violation and  
6 sufficient to prevent or deter reoccurrence at this Property or any other property  
7 associated with the Managing General Partner or its Member; or

8 (4) Increase the frequency of reporting by the Owner and/or monitoring of the  
9 Owner and Property; or

10 (5) Require the Owner to repay improperly overcharged rent/fees to an impacted  
11 household; or

12 (6) Declare the affected costs paid to an unverified or excluded entity disallowed;  
13 or

14 (7) Demand full repayment of any funds disbursed to an entity excluded from  
15 participation in Federal funding; or

16 (8) Require the Owner to retroactively certify a household compliant with the  
17 affordability requirements to replace a household in a County-assisted unit that does  
18 not meet all affordability and documentation requirements; or

19 (9) Require the Owner to identify the next available comparable unit meeting the  
20 affordability requirements of this Agreement to become the new County-assisted  
21 unit, for as many units as necessary to achieve affordability requirements; or

22 (10) Require prompt partial repayment of funds the County provided for the  
23 Project, commensurate with the percentage of non-compliant units out of total  
24 County-assisted units and the percentage of non-compliant years out of the total  
25 Period of Affordability; or

26 (11) Require the Owner or its affiliates to utilize a specific, free, web-  
27 accessible income calculator and maintain records of its use to document  
28 affordability requirements; or

1 (12) Extend the Period of Affordability by the number of years the Project was  
2 not in full compliance; or

3 (13) Require the Owner to increase contributions to its replacement reserve  
4 account; or

5 (14) Require the Owner to change the property management company to an  
6 entity capable of adhering to all regulatory requirements for recordkeeping,  
7 operations, affordability, and property maintenance; or

8 (15) Require the Owner to bring in a new partner or member to cure the  
9 identified deficiency; or

10 (16) Restrict the Owner from applying to the County for Affordable Housing  
11 Development funds for a specific period of time, e.g. one (1) year; or

12 (17) Require the Owner to execute an Assignment of Agreement or equivalent  
13 if the Property's then-current Owner differs from the Owner identified in this  
14 Agreement; or

15 (18) Require the Owner provide full repayment of all funds the County used for  
16 the Project, inclusive of time County staff may have charged to the Project prior to  
17 Project completion (staff time not to exceed fifty thousand dollars (\$50,000)). This  
18 cap shall apply strictly to pre-closeout development staff hours and shall not limit,  
19 alter, or cap the County's right to fully recover uncapped monitoring fees,  
20 administrative oversight costs, or legal fees and staff hours incurred as a result of  
21 litigation, enforcement actions, or default administration under this Agreement; or

22 (19) Waive in writing the noncompliance or monitoring/reporting requirements  
23 for a limited period of time if a local, State, or Federal disaster declaration or other  
24 temporary waiver is issued by an entity other than the County, with the authority to  
25 modify the requirements of the funding sources involved, to help preserve the long-  
26 term affordability of the Project in the face of unexpected circumstances; or

27 (20) Avail itself of another remedy permitted by this Agreement, any Loan  
28 Documents for the Project, or regulations governing the County's funding sources; or

1 (21) Initiate legal action to compel specific performance; or

2 (22) Any combination of the remedies listed above that the County, in its sole  
3 discretion, determines to be appropriate and proportional to the severity, duration,  
4 and nature of the noncompliance. No remedies identified are prerequisites to  
5 termination. Some remedies listed above, including those that materially change the  
6 terms of this Agreement or the parties subject to this Agreement, require a formal,  
7 written amendment to this Agreement.

8 **(C) Ability of the Investor Limited Partner to Act on Behalf of Owner.** The  
9 County hereby acknowledges that a Managing General Partner or Investor Limited  
10 Partner of the Owner shall have the right, but not the obligation, to cure any breach or  
11 default hereunder on the same terms as the Owner.

12 **(D) Federal Remedies for Noncompliance and Termination.** If this Agreement  
13 includes Federal funds, the County shall abide by all applicable requirements regarding  
14 remedies for noncompliance and termination of this Agreement in accordance with both  
15 [2 CFR 200.339](#) and [2 CFR 200.340](#) and any other guiding regulations. If this Agreement  
16 includes Federal HOME funds, the County shall hold the full flexibility of authority to  
17 require of the Owner specific performance, as expected under [24 CFR 92.504\(c\)\(3\)\(vii\)](#)  
18 and [2 CFR Appendix-II-to-Part-200\(A\)](#).

19 **(E) Instances of Breach.** For purposes of this section, a breach occurs when, in the  
20 determination of the County, the Owner or its affiliate has:

21 (1) Obtained or used funds illegally or improperly;

22 (2) Failed to comply with any part of this Agreement;

23 (3) Submitted a substantially incorrect or incomplete report to the County;

24 (4) Failed to secure all sums of money in excess of the County's financial  
25 contribution that may be necessary to complete construction of or sustain rental  
26 subsidies for the Project;

27 (5) Failed to secure all permits, approvals, environmental clearances, and  
28 certifications for the construction of the Project on the Property;

1 (6) Failed to comply with the affordability requirements of the funding sources  
2 involved, as applicable, or failed to ensure and document that the Project meets  
3 affordability requirements throughout the duration of the Period of Affordability;

4 (7) Failed to diligently pursue the construction of the Project to completion by all  
5 statutory or regulatory requirements of the funding sources involved;

6 (8) Failed to collect or retain records demonstrating compliance with the terms of  
7 this Agreement;

8 (9) Qualified a household with income exceeding 80% AMI as a County-assisted  
9 unit without also documenting all attempts to identify a new County-assisted  
10 household that is compliant with the Unit Mix in this Agreement's Exhibit B.

11 (10) An event of default, as defined in paragraph (F) below;

12 (11) Any incurable breach, as defined in paragraph (G) below; or

13 (12) Improperly performed or failed to comply with any of its obligations under  
14 this Agreement.

15 (F) **Event of Default.** Each of the following shall constitute an "Event of Default" by  
16 the Owner under this Agreement:

17 (1) **Failure to Construct.** Failure of the Owner to commence and complete  
18 construction of the Project within the time set forth and agreed upon by the Owner  
19 and the County, subject to reasonable force majeure delays. The timeline for  
20 commencement and completion of construction is defined in Exhibit B.

21 (2) **Failure to Make Payment.** Failure to repay the principal and any interest on  
22 any sums due and payable to the County, pursuant to the Loan Documents  
23 described in Exhibit C, if any, subject to any notice and cure periods set forth in the  
24 other Loan Documents.

25 (3) **Breach of Covenants.** Failure by the Owner to materially perform, comply  
26 with, or observe any of the conditions, terms, or covenants of any of the County's  
27 Loan Documents, and such failure remains uncured for thirty (30) days after receipt  
28 of written notice thereof by the Owner from the County. However, if the breach

1 cannot be cured within thirty (30) days, the Owner shall not be in breach so long as  
2 the Owner is diligently undertaking to cure such breach, and such breach is cured  
3 within ninety (90) days; provided, however, that if a different period or notice  
4 requirement is specified under any other subsection of this Article 6, the more  
5 specific provisions shall control.

6 (4) **Default Under Other Loans.** Failure to make any payment or perform any of  
7 the Owner's covenants, agreements, or obligations under the documents evidencing  
8 and securing any loan or financing secured by the Project following expiration of all  
9 applicable notice and cure periods.

10 (5) **Insolvency.** A court having jurisdiction has made or entered any decree or  
11 order (i) adjudging the Owner to be bankrupt or insolvent, (ii) approving as properly  
12 filed a petition seeking reorganization of the Owner or seeking any arrangement for  
13 the Owner or under the bankruptcy law or any other applicable debtor's relief law or  
14 statute of the United States or any state or other jurisdiction, (iii) appointing a  
15 receiver, trustee, liquidator, or assignee of the Owner in bankruptcy or insolvency or  
16 for any of their properties, or (iv) directing the winding up or liquidation of the Owner,  
17 if any such decree or order described in clauses (i) to (iv), inclusive, has continued  
18 unstayed or undischarged for a period of ninety (90) days, or the Owner has  
19 admitted in writing its inability to pay its debts as they fall due or shall have  
20 voluntarily submitted to or filed a petition seeking any decree or order of the nature  
21 described in clauses (i) to (iv), inclusive. The occurrence of any action in this  
22 paragraph shall act to accelerate automatically, without the need for any action by  
23 the County, the indebtedness evidenced by the Note.

24 (6) **Assignment; Attachment.** The Owner has assigned its assets for the benefit  
25 of its creditors or suffered a sequestration or attachment of or execution on any  
26 substantial part of its property, unless the property so assigned, sequestered,  
27 attached or executed upon has been returned or released within ninety (90) days  
28 after such event or, if sooner, prior to sale pursuant to such sequestration,

1 attachment, or execution. The occurrence of any action in this paragraph shall act to  
2 accelerate automatically, without the need for any action by the County, the  
3 indebtedness evidenced by the Note.

4 (7) **Suspension; Termination.** The Owner has voluntarily suspended its  
5 business for more than sixty (60) consecutive days, or the Owner has dissolved or  
6 terminated. The occurrence of any action in this paragraph shall act to accelerate  
7 automatically, without the need for any action by the County, the indebtedness  
8 evidenced by the Note.

9 (8) **Liens on the Property and the Project.** There has been filed any claim of  
10 lien (other than liens approved in writing by the County in Exhibit C) against the  
11 Project or any part thereof, or any interest or right made appurtenant thereto, or the  
12 service of any notice to withhold proceeds of the Loan and the continued  
13 maintenance of said claim of lien or notice to withhold for a period of twenty (20)  
14 days without discharge or satisfaction thereof or provision therefor (including, without  
15 limitation, the posting of bonds) satisfactory to the County.

16 (9) **Condemnation.** The condemnation, seizure, or appropriation of all or a  
17 substantial part of the Property and the Project, except that condemnation by the  
18 County shall cause the Loan to accelerate but shall not be an Event of Default.

19 (10) **Unauthorized Transfer.** Any Transfer of Ownership of the Property or  
20 the Project, other than as permitted by Exhibit A.

21 (11) **Representation or Warranty Incorrect.** Any Owner representation or  
22 warranty contained in this Agreement, or any application, financial statement,  
23 certificate, or report submitted to the County in connection with the Project, which  
24 was incorrect or false in any material and adverse respect when made.

25 (G) **Incurable Breach.** Each of the following shall be deemed an Incurable Breach,  
26 and subject to immediate demand for full repayment of the County-administered funds  
27 associated with this Project, inclusive of actual County staff time directly charged to the  
28 Project prior to its completion and closeout in IDIS. Any staff hours, internal legal

1 expenses, or external legal fees incurred by the County in connection with enforcing its  
2 rights during litigation, default proceedings, or the post-closeout monitoring period shall  
3 remain entirely uncapped and the sole financial responsibility of the Owner:

4 (1) Failure to complete construction or attain full occupancy of the Project within  
5 timeframes set by State or Federal regulation, as applicable and specific to the  
6 funding sources involved in the Project.

7 (2) Permanent conversion of the County-assisted units to fair market-rate rents  
8 or higher during the Period of Affordability.

9 (3) Foreclosure on the Property by a private lender whereupon the new Owner  
10 refuses to sign a new restrictive covenant with the County to honor the remaining  
11 Period of Affordability.

12 (4) Physical abandonment of the Property or severe casualty loss without  
13 rebuilding.

14 (5) Ineligible layering of restricted Federal housing subsidies, including but not  
15 limited to combining Public Housing operating funds or capital funds with HOME  
16 funds. This prohibition does not include accepting Housing Choice Vouchers (“HCV”)  
17 (formerly known as Section 8 vouchers) for County-assisted units; it is permissible to  
18 blend HCV and County-assisted units.

19 (6) Refusal of the Owner to comply with the requirements or remedies of this  
20 Agreement.

21 (H) **No Waiver.** In no event shall any payment by the County or acceptance of any  
22 annual monitoring action constitute a waiver by the County of any Breach of this  
23 Agreement or any default which may then exist on the part of the Owner. Neither shall  
24 such payment impair or prejudice any remedy available to the County with respect to the  
25 Breach or default. The County shall have the right to demand of the Owner the  
26 repayment to the County of any funds disbursed to the Owner under this Agreement,  
27 which in the judgment of the County or the State or Federal authorities providing the  
28 County-administered funding were not expended in accordance with the terms of this

1 Agreement. The Owner shall promptly refund any such funds upon demand.

2 **6.3 Termination for Convenience.** If this Agreement includes HOME funds, the terms  
3 of this Section 6.3 shall apply to the Agreement. HOME Funds are subject to Federal  
4 requirements codified at [Appendix II to Part 200, Title 2](#), notably including 2 CFR Appendix-II-to-  
5 Part-200(B).

6 (A) **Termination for Convenience, Pre-Completion of Construction.** Prior to the  
7 retention draw of HOME funds and the closeout of the Project in IDIS (or successor  
8 systems), the County may terminate this Agreement for convenience, in whole or in part,  
9 upon no less than sixty (60) days advance written notice to Owner and its Investor  
10 Limited Partner. To ensure the financial stability of the Project, such termination shall  
11 only be effected upon the execution of a written settlement agreement among the  
12 County, the Owner, and the Investor Limited Partner. The basis for the settlement shall  
13 include, at a minimum, full reimbursement by the County for all eligible project costs  
14 incurred and non-cancellable obligations committed prior to the date of the notice,  
15 alongside reasonable closeout costs.

16 (B) **Termination for Convenience, Post-Completion During the Minimum**  
17 **Statutory Affordability Period for HOME Funds.** Following the closeout of the Project  
18 in IDIS (or successor systems), this Agreement is intended to remain in full force and  
19 effect for the entirety of the Federally-required Period of Affordability to ensure  
20 compliance with HOME regulations. During the Period of Affordability, the County may  
21 terminate this Agreement for convenience only upon the express, mutual written consent  
22 of the County, the Owner, and (if still present) the Investor Limited Partner. Any such  
23 mutual termination for convenience during the Period of Affordability shall be structured  
24 so as not to prejudice the rights of the Investor Limited Partner, not trigger the  
25 repayment of HOME funds, nor trigger a recapture of tax credits.

26 (C) **Termination for Convenience, Post-Completion After Satisfactory**  
27 **Completion of the Minimum Statutory Period of Affordability for HOME Funds.** If,  
28 following the satisfactory completion of the minimum statutory Period of Affordability for

1 HOME funds, all terms of this Agreement are satisfied, including any monetary  
2 repayments owed from the Owner to the County, save for the conclusion of the Term of  
3 this Agreement, the Owner and County through its Board of Supervisors may mutually  
4 agree in writing to terminate this Agreement.

5 6.4 **No Penalty or Further Obligation.** Except as expressly permitted in Section 6.3,  
6 any termination of this Agreement by the County under this Article 6 is without penalty to or  
7 further obligation of the County.

8 6.5 **County's Rights upon Termination.** Upon termination for breach under this Article  
9 6, the County may demand repayment by the Owner of any monies disbursed to the Owner  
10 under this Agreement that, in the County's sole judgment, were not expended or maintained for  
11 the duration of the Period of Affordability in compliance with this Agreement and/or all applicable  
12 laws and regulations. The Owner shall promptly refund all such monies upon demand. The  
13 County, in its sole discretion, may negotiate with the Owner alternate terms for repayment of  
14 funds by the Owner to the County. Termination of this Agreement due to breach shall not limit  
15 the rights of the County to seek any other legal relief, including the recovery of damages against  
16 the Owner and the Member entity of the Managing General Partner.

17 6.6 **Survival.** This Article 6 survives the termination of this Agreement.

## 18 **Article 7**

### 19 **Independent Contractor**

20 7.1 **Status.** In performing under this Agreement, the Owner, including its officers, agents,  
21 affiliates, employees, subcontractors, and volunteers, is at all times acting and performing as an  
22 independent contractor, in an independent capacity, and not as an officer, agent, servant,  
23 employee, joint venturer, partner, or associate of the County.

24 7.2 **Verifying Performance.** The County has no right to control, supervise, or direct the  
25 manner or method of the Owner's performance under this Agreement, except as permitted in  
26 this Agreement to comply with funding and statutory requirements; but the County may verify  
27 that the Owner is performing according to the terms of this Agreement and may specify the  
28 manner and substance of what must be provided to comply with or verify compliance with this

1 Agreement as required by funding and statutory requirements.

2 7.3 **Benefits.** Because of its status as an independent contractor, the Owner has no right  
3 to employment rights or benefits available to County employees. The Owner is solely  
4 responsible for providing to its own employees all employee benefits required by law. The  
5 Owner shall save the County harmless from all matters relating to the payment of Owner's  
6 employees, including compliance with Social Security withholding and all related regulations.

7 7.4 **Services to Others.** The parties acknowledge that, during the term of this  
8 Agreement, the Owner may provide services to others unrelated to the County.

### 9 **Article 8**

#### 10 **Indemnity and Defense**

11 8.1 **Indemnity.** The Owner shall indemnify, save, hold harmless, and at the County's  
12 request, defend the County, its partners, officers, agents, and employees from and against any  
13 and all costs and expenses (including reasonable attorney's fees and costs), damages,  
14 liabilities, claims and losses whatsoever occurring or resulting to the County in connection with  
15 the performance, or failure to perform, by the Owner, its partners, officers, agents, employees,  
16 or any persons, firms, or corporations furnishing or supplying work, services, materials, or  
17 supplies in connection with the performance of this Agreement, and from any and all claims and  
18 losses occurring or resulting to any person, firm, or corporation who may be injured or  
19 damaged, including damage, injury, or death arising out of or connected with the performance,  
20 or failure to perform, of the Owner, its partners, officers, agents or employees under this  
21 Agreement, excluding claims occurring as a result of the gross negligence and/or willful  
22 misconduct of County. The County may conduct or participate in its own defense without  
23 affecting the Owner's obligation to indemnify and hold harmless or defend the County.

24 8.2 **Indemnity for Delegated Authority and Signatories.** The Owner's obligation to  
25 indemnify save, hold harmless, and defend the County shall explicitly extend to each of the four  
26 (4) individual County positions designated as Authorized Signatories under Exhibit G of this  
27 Agreement. The Owner shall indemnify, defend, and hold harmless the County and said  
28 individual Authorized Signatories from and against any and all administrative, civil, or third-party

1 legal challenges, claims, or lawsuits contesting the structural legality, validity, or underlying  
2 authority of the County's limited delegation of signature authority set forth in Exhibit G. This  
3 includes, but is not limited to, any claims challenging the execution or amendment of this  
4 Agreement or related Loan Documents by said Authorized Signatories in lieu of a vote by the  
5 full County Board of Supervisors.

6 8.3 **Survival.** This Article 8 survives the termination or expiration of this Agreement.

## 7 **Article 9**

### 8 **Insurance**

9 9.1 Without limiting the County's right to obtain indemnification from the Owner or any  
10 third parties, the Owner shall comply with all the insurance requirements in Exhibit E to this  
11 Agreement.

12 9.2 The Owner shall maintain or cause to be maintained certain insurance policies, as  
13 specified in Exhibit E, for the duration of construction, the Period of Affordability, and any post-  
14 Period of Affordability term of this Agreement.

15 9.3 Once the Period of Affordability is complete (any transfer of Ownership during the  
16 Period of Affordability shall not be construed as "completing" the Period of Affordability) and the  
17 balance of all funds owed to the County has dropped to \$0, the Owner is released from  
18 maintaining the County's insurance requirements even if there are years remaining on the term  
19 of this Agreement.

## 20 **Article 10**

### 21 **Inspections, Audits, and Public Records**

22 10.1 **Inspection of Documents.** The Owner shall make available to the County, and the  
23 County may examine at any time during business hours and as often as the County deems  
24 necessary, all of the Owner's records and data with respect to the matters covered by this  
25 Agreement, excluding attorney-client privileged communications. The Owner shall, upon request  
26 by the County, permit the County to audit and inspect all of such records and data to ensure the  
27 Owner's compliance with the terms of this Agreement.

28 10.2 **State Audit Requirements.** If the compensation to be paid by the County under this

1 Agreement exceeds \$10,000, the Owner is subject to the examination and audit of the California  
2 State Auditor, as provided in Government Code section 8546.7, for a period of three years after  
3 final payment under this Agreement.

4 **10.3 Audit Requirements Following Construction.** Owner shall provide all records  
5 specified in Exhibit B within six (6) months after the end of the Owner's Fiscal Year in which the  
6 Project receives a Certificate of Occupancy or equivalent, and in no event later than twelve (12)  
7 months after attaining a Certificate of Occupancy or equivalent for the Project.

8 **10.4 Audit Requirements for Annual Reporting.** Owner shall annually, or more  
9 frequently if required by County's monitoring results, provide to the County all records specified  
10 in Exhibit A, any records requested by County, including but not limited to any records  
11 necessary to demonstrate compliance with the terms of this Agreement. Owner shall provide to  
12 the County all annual records by no later than March 31 of each calendar year. All records shall  
13 be provided in the method and format specified by the County.

14 **10.5 Public Records.** The County is not limited in any manner with respect to its public  
15 disclosure of this Agreement or any record or data that the Owner may provide to the County.  
16 The County's public disclosure of this Agreement or any record or data that the Owner may  
17 provide to the County may include but is not limited to the following:

18 (A) The County may voluntarily, or upon request by any member of the public or  
19 governmental agency, disclose this Agreement to the public or such governmental  
20 agency.

21 (B) The County may voluntarily, or upon request by any member of the public or  
22 governmental agency, disclose to the public or such governmental agency any record or  
23 data that the Owner may provide to the County, unless such disclosure is prohibited by  
24 court order.

25 (C) This Agreement, and any record or data that the Owner may provide to the  
26 County, is subject to public disclosure under the Ralph M. Brown Act (California  
27 Government Code, Title 5, Division 2, Part 1, Chapter 9, beginning with section 54950).

28 (D) This Agreement, and any record or data that the Owner may provide to the

1 County, is subject to public disclosure as a public record under the California Public  
2 Records Act (California Government Code, Title 1, Division 10, beginning with section  
3 7920.000) ("CPRA").

4 (E) This Agreement, and any record or data that the Owner may provide to the  
5 County, is subject to public disclosure as information concerning the conduct of the  
6 people's business of the State of California under California Constitution, Article 1,  
7 section 3, subdivision (b).

8 (F) Any marking of confidentiality or restricted access upon or otherwise made with  
9 respect to any record or data that the Owner may provide to the County shall be  
10 disregarded and have no effect on the County's right or duty to disclose to the public or  
11 governmental agency any such record or data.

12 **10.6 Public Records Act Requests.** If the County receives a written or oral request  
13 under the CPRA to publicly disclose any record that is in the Owner's possession or control  
14 (which includes those records maintained by a contractor on behalf of the Owner), and which  
15 the County has a right, under any provision of this Agreement or applicable law, to possess or  
16 control, then the County may demand, in writing, that the Owner deliver to the County, for  
17 purposes of public disclosure, the requested records that may be in the possession or control of  
18 the Owner. Within five business days after the County's demand, the Owner shall (a) deliver to  
19 the County all of the requested records that are in the Owner's possession or control, together  
20 with a written statement that the Owner, after conducting a diligent search, has produced all  
21 requested records that are in the Owner's possession or control, or (b) provide to the County a  
22 written statement that the Owner, after conducting a diligent search, does not possess or control  
23 any of the requested records. The Owner shall cooperate with the County with respect to any  
24 County demand for such records. If the Owner wishes to assert that any specific record or data  
25 is exempt from disclosure under the CPRA or other applicable law, it must deliver the record or  
26 data to the County and assert the exemption by citation to specific legal authority within the  
27 written statement that it provides to the County under this section. The Owner's assertion of any  
28 exemption from disclosure is not binding on the County, but the County will give at least 10

1 days' advance written notice to the Owner before disclosing any record subject to the Owner's  
2 assertion of exemption from disclosure. The Owner shall indemnify the County for any court-  
3 ordered award of costs or attorney's fees under the CPRA that results from the Owner's delay,  
4 claim of exemption, failure to produce any such records, or failure to cooperate with the County  
5 with respect to any County demand for any such records.

6 10.7 **Survival.** This Article 10 survives the termination or expiration of this Agreement.

## 7 **Article 11**

### 8 **Disclosure of Self-Dealing Transactions, Identity of Interest, and Conflict of Interest**

9 11.1 **Applicability.** This Article 11 applies if the Owner is operating as a corporation, or  
10 changes its status to operate as a corporation. This Article 11 also applies if the Owner is  
11 operating as a Limited Partnership or Limited Liability Company, or changes its status to such.

12 11.2 **Duty to Disclose Self-Dealing Transactions.** If any member of the Owner's  
13 leadership is party to a self-dealing transaction, he or she shall disclose the transaction by  
14 completing and signing a "Self-Dealing Transaction Disclosure Form" (included within Exhibit D  
15 to this Agreement) and submitting it to the County before commencing the transaction or  
16 immediately after.

17 11.3 **Duty to Disclose Identity of Interest.** If the Owner or any entity within the Owner is  
18 party to an identity of interest relationship, the principal shall disclose the transaction by  
19 completing and signing a "Identity of Interest Disclosure Form D3" (included within Exhibit D to  
20 this Agreement) and submitting it, along with all requisite instances of "Identity of Interest  
21 Disclosure Form D4" to the County before commencing the transaction or immediately upon  
22 execution of this Agreement. If no such Identity of Interest exists or is planned to exist, then the  
23 Owner shall complete and submit to the County "Identity of Interest Disclosure Form D2." In the  
24 event circumstances change, the Owner shall inform the County in writing within two (2)  
25 business days. An estimate and certification of actual cost shall be provided if an Identity of  
26 Interest exists.

27 11.4 **Definition of Self-Dealing Transaction.** "Self-dealing transaction" means a  
28 transaction to which the Owner is a party and in which one or more of its directors, as an

1 individual, has a material financial interest.

2 11.5 **Definition of Identity of Interest.** An “Identity of Interest” is defined in the  
3 certification forms contained within Exhibit D.

4 11.6 **Conflict of Interest.** No officer, employee, or agent of the County who exercises any  
5 function or responsibility for planning and carrying out the services provided under this  
6 Agreement shall have any direct or indirect financial interest in this Agreement. In addition, no  
7 employee of the County shall be employed by the Owner under this Agreement to fulfill any  
8 contractual obligations with the County. The Owner shall comply with all Federal, State of  
9 California, and local conflict of interest laws, statutes and regulations, which shall be applicable  
10 to all parties and beneficiaries under this Agreement and any offer, employee or agent of the  
11 County.

## 12 **Article 12**

### 13 **General Terms**

14 12.1 **Modification.** Except as provided in Article 6, “Termination and Suspension,” and  
15 except as provided in Exhibit G, “Limited Delegation of County Board of Supervisors’ Signature  
16 Authority,” this Agreement may not be modified, and no waiver is effective, except by written  
17 agreement signed by both parties. The Owner acknowledges that County employees have no  
18 authority to modify this Agreement except as expressly provided in this Agreement.

19 12.2 **Non-Assignment.** Except as permitted in Exhibit A, neither party may assign its  
20 rights or delegate its obligations under this Agreement without the prior written consent of the  
21 other party.

22 12.3 **Governing Law.** The laws of the State of California govern all matters arising from  
23 or related to this Agreement.

24 12.4 **Jurisdiction and Venue.** This Agreement is signed and performed in Fresno  
25 County, California. Owner consents to California jurisdiction for actions arising from or related to  
26 this Agreement, and, subject to the Government Claims Act, all such actions must be brought  
27 and maintained in Fresno County.

28 12.5 **Construction.** The final form of this Agreement is the result of the parties’ combined

1 efforts. If anything in this Agreement is found by a court of competent jurisdiction to be  
2 ambiguous, that ambiguity shall not be resolved by construing the terms of this Agreement  
3 against either party.

4 12.6 **Days.** Unless otherwise specified, “days” means calendar days.

5 12.7 **Headings.** The headings and section titles in this Agreement are for convenience  
6 only and are not part of this Agreement.

7 12.8 **Severability.** If anything in this Agreement is found by a court of competent  
8 jurisdiction to be unlawful or otherwise unenforceable, the balance of this Agreement remains in  
9 effect, and the parties shall make best efforts to replace the unlawful or unenforceable part of  
10 this Agreement with lawful and enforceable terms intended to accomplish the parties’ original  
11 intent.

12 12.9 **Nondiscrimination.** During the performance of this Agreement, the Owner shall not  
13 unlawfully discriminate against any employee or applicant for employment, or recipient of  
14 services, because of race, religious creed, color, national origin, ancestry, physical disability,  
15 mental disability, medical condition, genetic information, marital status, sex, gender, gender  
16 identity, gender expression, age, sexual orientation, military status or veteran status pursuant to  
17 all applicable State of California and Federal statutes and regulation.

18 12.10 **No Waiver.** Payment, waiver, or discharge by the County of any liability or obligation  
19 of the Owner under this Agreement on any one or more occasions is not a waiver of  
20 performance of any continuing or other obligation of the Owner and does not prohibit  
21 enforcement by the County of any obligation on any other occasion.

22 12.11 **Entire Agreement.** This Agreement, including its exhibits, is the entire agreement  
23 between the Owner and the County with respect to the subject matter of this Agreement, and it  
24 supersedes all previous negotiations, proposals, commitments, writings, advertisements,  
25 publications, and understandings of any nature unless those things are expressly included in  
26 this Agreement. If there is any inconsistency between the terms of this Agreement without its  
27 exhibits and the terms of the exhibits, then the inconsistency will be resolved by giving  
28 precedence first to the terms of this Agreement without its exhibits, and then to the terms of the

1 exhibits.

2       **12.12 Enforcement of the Agreement Against the Owner by Third-Party Beneficiaries**  
3 **for Affordability Requirements.** Pursuant to Federal HOME requirements at [24 CFR](#)  
4 [92.504\(c\)\(3\)\(vii\)](#), the parties to this Agreement intend that the tenants of the County-assisted  
5 Units during the Period of Affordability shall be express third-party beneficiaries of this  
6 Agreement. Such beneficiaries shall have the right to enforce the terms of this Agreement,  
7 directly against the Owner and without the need for the consent of the County, any provision of  
8 this Agreement that confers affordable housing benefits of the HOME program upon them. This  
9 status as a beneficiary of HOME-assisted housing shall supersede any lease terms Owner  
10 included in the tenant’s rental contract or lease. This Agreement shall not confer any rights or  
11 benefits on any other third party unless such third party is expressly named as a beneficiary to  
12 this Agreement.

13       **12.13 Authorized Signature.** The Owner represents and warrants to the County that:

14               (A) The Owner is duly authorized and empowered to sign and perform its obligations  
15               under this Agreement.

16               (B) The individual signing this Agreement on behalf of the Owner is duly authorized  
17               to do so and his or her signature on this Agreement legally binds the Owner to the terms  
18               of this Agreement.

19       **12.14 Electronic Signatures.** The parties agree that this Agreement may be executed by  
20 electronic signature as provided in this section.

21               (A) An “electronic signature” means any symbol or process intended by an individual  
22               signing this Agreement to represent their signature, including but not limited to (1) a  
23               digital signature; (2) a faxed version of an original handwritten signature; or (3) an  
24               electronically scanned and transmitted (for example by PDF document) version of an  
25               original handwritten signature.

26               (B) Each electronic signature affixed or attached to this Agreement (1) is deemed  
27               equivalent to a valid original handwritten signature of the person signing this Agreement  
28               for all purposes, including but not limited to evidentiary proof in any administrative or

1 judicial proceeding, and (2) has the same force and effect as the valid original  
2 handwritten signature of that person.

3 (C) The provisions of this section satisfy the requirements of Civil Code section  
4 1633.5, subdivision (b), in the Uniform Electronic Transaction Act (Civil Code, Division 3,  
5 Part 2, Title 2.5, beginning with section 1633.1).

6 (D) Each party using a digital signature represents that it has undertaken and  
7 satisfied the requirements of Government Code section 16.5, subdivision (a),  
8 paragraphs (1) through (5), and agrees that each other party may rely upon that  
9 representation.

10 (E) This Agreement is not conditioned upon the parties conducting the transactions  
11 under it by electronic means and either party may sign this Agreement with an original  
12 handwritten signature.

13 12.15 **Counterparts.** This Agreement may be signed in counterparts, each of which is an  
14 original, and all of which together constitute this Agreement.

15 [SIGNATURE PAGE FOLLOWS]  
16  
17  
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26  
27  
28

1 The parties are signing this Agreement on the date of the final signature across this  
2 page and the next page.

3 **Selma Elderly L.P.**,  
4 a California limited partnership

5 By: Selma Elderly LLC,  
6 a California limited liability company,  
7 its general partner

8 By: Self-Help Enterprises,  
9 a California nonprofit public benefit  
10 corporation,  
11 its sole member/manager

12 By: \_\_\_\_\_  
13 Thomas J. Collishaw,  
14 President and Chief Executive  
15 Officer

16 Date: \_\_\_\_\_  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 **COUNTY OF FRESNO**

**Approved as to Content:**

2  
3 \_\_\_\_\_

by: \_\_\_\_\_

4 Steven E. White,  
5 Director of Public Works and Planning  
6 Department of Public Works and Planning

Augustine C. Ramirez,  
Division Manager for Community Development  
Department of Public Works and Planning

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

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

8  
9  
10 **Approved as to Legal Form:**

11 Douglas T. Sloan,  
12 County Counsel

**Approved as to Accounting Form:**

Oscar J. Garcia, CPA  
Auditor-Controller/Treasurer-Tax Collector

13 by: \_\_\_\_\_  
14 Deputy

by: \_\_\_\_\_  
Deputy

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

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

16  
17 For accounting use only:

18 Remit Payment To:  
19 Selma Elderly L.P.  
20 Attention: ???  
21 8445 W. Elowin Court,  
22 Visalia, CA 93291

23 Fund No.: 0001  
24 Subclass No.: 10000  
25 Org No.: 55122008  
26 Account No.: 7294  
27 Memo: 00010  
28 Project Number: 2565H02  
Cost Center: 7702  
Activity Code: 7266

All four (4) signatures on this page must be present for this Agreement to be fully executed by the County of Fresno.

# Exhibit A - Scope of Work

## Article 1 Project Scope of Work

As applicable to the Project proposed, the work to be performed by the Owner, or that the Owner shall cause to be performed includes, but is not limited to:

1.1 **Project's Consistency with Applicable Plans.** As applicable, the Owner shall propose and perform affordable housing projects that are consistent with the County's Consolidated Plan, Annual Action Plan, 6th Cycle Housing Element, Agreement for HOME funds, HOME-ARP Plan, Agreement for Permanent Local Housing Allocation (PLHA) funds, the County's Rehabilitation Standards (as may be amended from time to time), and the regulatory requirements for the funding sources involved.

1.2 **Certification.** The Owner hereby certifies the authenticity and accuracy of the information provided to the County with regards to the fiscal soundness of the Owner, and Owner's capacity to undertake the proposed Project. The Owner further certifies that it has examined the Project neighborhood market conditions and has determined there is an adequate need for the Project.

1.3 **Acquisition.** To the extent the project necessitates acquisition of real property, whether or not said acquisition utilizes County-administered funding or not, the Owner shall acquire the affordable housing site, abiding by all prohibitions on choice-limiting actions and in accordance with all other Federal requirements pertaining to acquisition of real property.

1.4 **Land Use Entitlements.** The Owner shall obtain all necessary land use entitlements from the local jurisdiction, e.g. rezone, plan amendments, lot splits, final subdivision map.

1.5 **Utilities.** Owner shall obtain all necessary connections to utilities for the property, including electricity, water, sewer, garbage, and broadband internet.

1.6 **Senior Financing.** Owner shall obtain and secure such senior financing necessary to complete development of the Project.

1.7 **Construction.** Owner shall construct the required on-site and off-site improvements.

1.8 **Environmental Compliance.** Owner shall commission environmental assessments and studies, as applicable, attain approval to proceed from the appropriate jurisdiction,

1 document compliance with all mitigation measures, and provide evidence and substantiating  
2 records of compliance with mitigation measures to the County. Minimum environmental  
3 standards include, but are not limited to:

4 (A) **CEQA.** California Environmental Quality Act (“CEQA”), as described by the  
5 [California Public Resources Code Section 21000 et seq](#), if the Project is located in the  
6 State of California. In the event the Project is ministerially or statutorily exempt from  
7 CEQA, the Owner shall furnish written documentation of the specific type of exemption to  
8 the County.

9 (B) **NEPA.** The National Environmental Policy Act (“NEPA”), as described by [24 CFR](#)  
10 [Part 58](#), if the Project includes Federal funding. No applicant anticipating or seeking the  
11 use of Federal funds may make Choice-Limiting Actions (CLA) ([24 CFR 58.22](#)) for any  
12 funding source prior to completion of the NEPA. This prohibition includes all legally-  
13 associated affiliates and partners of the developer, Owner, or entity within the Ownership  
14 structure – including the County itself. CLAs include: committing/expending funds,  
15 acquisition, leasing, ground disturbance, construction, demolition, repair. Agreements  
16 conditioning the commitment upon receiving Authority to Use Grant Funds may be  
17 permissible.

18 1.9 **Collaboration.** Owner and its affiliates shall work collaboratively with the County’s  
19 Community Development Division on all aspects of the development, including predevelopment,  
20 agreement/loan drafting, financing, pre-construction, construction, payments, inspections, and  
21 long-term monitoring. Developers are encouraged to include the Community Development  
22 Division as part of the planning process.

23 1.10 **Construction Completion.** Owner shall complete construction of the Project within  
24 the timeframe required by the regulations governing the funding source(s) and this Agreement.  
25 The specific timeline and construction scope for this project are included in Exhibit B. Statutory  
26 timeframes for project completion are included in Exhibit F.

27 1.11 **Recordkeeping and Reporting.** Owner and its affiliates shall create, collect, and  
28 maintain all records and documentation to substantiate compliance with regulatory requirements

1 and the terms of this Agreement, including the annual submission of records and reports for the  
2 duration of the Period of Affordability and five (5) years thereafter OR until the Project has been  
3 audited by the applicable State or Federal source of the funding, whichever occurs later. More  
4 specific requirements may apply to specific funding sources and may be discussed later in this  
5 Agreement. Any recordkeeping requirements specific to a funding source shall follow those  
6 specific requirements.

7       1.12   **Preservation of Recordkeeping and Reporting.** Owner and its affiliates shall  
8 ensure and cause the complete transfer and preservation of all tenant, eligibility, property,  
9 maintenance, fiscal, and other records in the event the property management company  
10 changes.

11       1.13   **Adherence to Laws.** Owner and its affiliates involved in the Project shall maintain  
12 compliance with all applicable Federal, State, and local laws, regulations, and requirements.

## 13                   **Article 2 Property Standards, Inspections, and Maintenance Reserves**

14       2.1    **Ongoing Property Habitability and Compliance Standards.** Upon the completion  
15 of construction and for the entire duration of the Term of this Agreement, Owner covenants and  
16 agrees to maintain the Property, including all inside areas, outside areas, and County-assisted  
17 units, as decent, safe, and sanitary housing in good repair. The Project must satisfy the  
18 following dual-compliance framework:

19           (A) **NSPIRE Standards.** The Property must maintain a passing score under HUD's  
20 [National Standards for the Physical Inspection of Real Estate](#) ("NSPIRE") Final Rule at  
21 24 CFR 5.703, all NSPIRE guidance published, or any successor inspection standards—  
22 whichever is most current and adopted (having internal procedures, forms, and  
23 documentation) for use by the County. This requirement applies regardless of the  
24 County-administered funding source used to support the Project and shall persist if the  
25 Term of the Agreement exceeds the Period of Affordability. The County requires  
26 property standards to be met regardless of the Period of Affordability to safeguard the  
27 County's funds and support the goals of the County's Housing Element.

28           (B) **HOME Ongoing Property Condition Standards and Inspections.** At all times

1 during the Federal Period of Affordability, the Owner shall ensure the Property and  
2 Owner's operations comply with all ongoing property standards and inspections  
3 mandates set forth at [24 CFR 92.251\(f\)](#), as may be amended from time to time.

4 **2.2 Health, Safety, and Deficiencies Correction Timeframes.** The Owner shall ensure  
5 that the Project remains entirely free of health and safety defects. Identified deficiencies must be  
6 corrected in accordance with the following timelines:

7 (A) **Life-Threatening Health and Safety Deficiencies.** In accordance with 24 CFR  
8 5.703(d)(1) and 24 CFR 92.251(f)(1)(ii), each as may be amended from time to time, any  
9 defect identified as a Life-Threatening Condition under NSPIRE standards shall be  
10 corrected, mitigated, or controlled within twenty-four (24) hours of the Owner's or the  
11 Owner's agents' identification, notification, or knowledge of the condition. If mitigation or  
12 control is utilized as an interim measure, full resolution must be completed in accordance  
13 with industry standards within a reasonable timeframe not to exceed thirty (30) calendar  
14 days, and as expeditiously as possible, unless a longer period is expressly authorized by  
15 the County based on documented supply-chain constraints. This requirement shall  
16 persist throughout the duration of the Term of this agreement to preserve the County's  
17 investment of funds and satisfy Fair Housing requirements.

18 (1) **Sufficiency of Financial Reserves and Capital Obligations.** Owner  
19 explicitly acknowledges and agrees that operating cash shortfalls, localized budget  
20 deficits, or pending insurance adjustments shall not alleviate, diminish, or excuse  
21 Owner's strict obligation to timely correct, mitigate, or permanently resolve a Life-  
22 Threatening Condition under the timelines established herein. To guarantee the  
23 immediate availability of necessary capital, Owner covenants to promptly deploy  
24 funds from its Restricted Operating Reserves, draw upon its Restricted Replacement  
25 Reserves (in accordance with the authorization protocols set forth in Section 2.5), or  
26 secure an immediate Affiliate Capital Infusion from the Managing General Partner or  
27 its development sponsors. The failure to execute a permanent correction due to an  
28 asserted deficiency in available property-level liquidity shall constitute an unexcused,

1 material Instance of Breach under this Agreement, immediately empowering the  
2 County to invoke all available legal and administrative remedies.

3 (B) **Lead-Based Paint.** If lead is present or reasonably believed to be present, the  
4 Project must meet all lead-based paint hazard reduction and notification requirements  
5 codified at [24 CFR Part 35](#).

6 (C) **Correction of Non-Life-Threatening NSPIRE Deficiencies.** If the County  
7 identifies non-life-threatening health and safety deficiencies within the Project's inside  
8 areas, outside areas, or County-assisted units, a follow-up inspection must be conducted  
9 within twelve (12) months to verify correction. To satisfy Fair Housing requirements,  
10 these deficiencies must be resolved within a reasonable timeframe. The Owner may  
11 submit third-party documentation, such as a paid invoice or completed work order, as  
12 verifiable proof of correction in lieu of a physical follow-up inspection at the County's  
13 discretion.

14 **2.3 Maximum Indoor Temperature Standard.** Pursuant to the County's authority and  
15 obligations under 24 CFR 92.251(b) and 24 CFR 92.251(f) to develop and maintain local written  
16 property standards that ensure units are decent, safe, and sanitary, and in alignment with the  
17 County's Natural Hazard Mitigation Plan within its Consolidated Plan, all HOME-assisted rental  
18 housing units must be equipped with active or passive cooling systems (mechanical air  
19 conditioning or evaporative cooling) to mitigate the negative impacts of extreme heat and  
20 capable of safely maintaining a maximum indoor temperature of not more than 82°F in all  
21 habitable rooms.

22 (A) **Source of Standard.** The 82°F standard was identified by the California  
23 Department of Housing and Community Development's [2025 Report to the Legislature](#),  
24 Policy Recommendation: Recommended Maximum Safe Indoor Air Temperature. The  
25 population of tenants at this Project, senior citizens, are particularly susceptible to the  
26 negative impacts of extreme heat.

27 (B) **County's Measurement Standard.** Compliance will be verified during project  
28 inspections, if the inspection occurs between April 1 and September 30 (the designated

1 cooling season), by measuring the ambient indoor temperature at a distance of three (3)  
2 feet above floor level in the center of the room.

3 (C) **Enforcement and Penalties.** The cooling system itself must remain fully  
4 functional regardless of tenant operational preferences, though an elevated temperature  
5 alone shall not constitute a violation if a tenant intentionally chooses not to run the  
6 system. Any HVAC system that is mechanically incapable of lowering the temperature  
7 below 82°F, or any ambient temperature reading found at 85°F or higher due to  
8 mechanical failure or landlord-imposed thermostat lockouts, shall be classified as an  
9 NSPIRE Life-Threatening Condition, requiring documented correction or emergency  
10 temporary cooling mitigation within twenty-four (24) hours.

11 2.4 **Mandatory Inspections and Owner Self-Inspections.** The Owner shall facilitate  
12 ongoing physical monitoring through a two-tiered inspection structure:

13 (A) **County Inspections.** The County retains the absolute right to perform, or cause  
14 to be performed, ongoing property inspections of the Project and the County-assisted  
15 units, and the Owner shall allow and facilitate full access during business hours and for  
16 County's entry, Owner or its agents shall execute and deliver all legally mandated  
17 notices of entry to tenants in strict accordance with California law (including California  
18 Civil Code Section 1954).

19 (B) **Owner Self-Inspections.** No less than annually, the Owner shall conduct a  
20 comprehensive self-inspection consistent with NSPIRE protocols covering the Property's  
21 Inside Areas, Outside Areas, and all County-assisted units. The dated inspection results,  
22 along with a detailed summary of subsequent corrective actions taken, must be  
23 submitted digitally to the County as part of the annual monitoring process. This self-  
24 inspection mandate applies during both the Period of Affordability and the Post-  
25 Regulatory Period. During the Post-Regulatory Period, the scope of the report shall  
26 include Inside Areas, Outside Areas, and all NSPIRE-deemed Life-Threatening  
27 deficiencies in any unit.  
28

1        2.5    **Required Operating and Replacement Reserves.** To guarantee structural long-  
2 term compliance with the Ongoing Property Habitability Standards, Owner shall establish and  
3 maintain separate, restricted reserve accounts:

4            (A) **Operating Reserve.** Owner shall maintain a restricted operating reserve funded  
5 to offset shortfalls caused by vacancies, non-payment of rent, or unpredicted operational  
6 increases (such as insurance spikes).

7            (B) **Replacement Reserve.** Owner shall maintain a separate restricted replacement  
8 reserve dedicated solely to funding capital improvements and the replacement of long-  
9 term building components (e.g., roofs, HVAC units).

10           (C) **Account Management.** Both reserves must be maintained in separate,  
11 designated bank accounts completely isolated from general operating funds. They must  
12 be capitalized at levels meeting or exceeding the highest minimum thresholds required  
13 by any senior lender, investor, or regulatory agency funding the Project. Owner shall  
14 submit documentation of account balances and annual contributions to the County  
15 annually or immediately upon written request. No funds may be withdrawn from the  
16 replacement reserve for non-capital purposes without the prior written consent of senior  
17 funders and formal notification to the County.

18        2.6    **Repair of Property Damage and Casualty Loss.** Subject to the availability of  
19 insurance proceeds, the requirements of senior lenders, and the Owner's Investor Limited  
20 Partner, if any, if any improvement on the Property is damaged or destroyed, Owner shall, at its  
21 sole cost and expense, diligently undertake to repair or restore the improvement consistent with  
22 the plans and specifications approved by the County.

23           (A) **Timeline for Repair.** Physical repair work must commence no later than one  
24 hundred twenty (120) days after the damage occurs, or thirty (30) days following the  
25 receipt of insurance proceeds, whichever is later, and must be fully completed within one  
26 (1) year thereafter unless a State or Federal Disaster Declaration was issued and a  
27 shortage of materials and/or construction contractors exists. The County may extend  
28 these timeframes in its reasonable discretion. All insurance proceeds collected for such

1 casualty loss shall be applied directly to the cost of restoration, provided the proceeds  
2 are sufficient for such purpose.

3 2.7 **Survival.** The provisions of this section shall apply to any modifications,  
4 amendments, or successor agreements thereto.

### 5 **Article 3 Coordination, Reporting & Monitoring**

6 3.1 **Good-Faith Effort.** The Owner, its MGP, its General Contractor, its Property  
7 Manager and other affiliates shall make a good-faith effort to coordinate all activities and  
8 reporting with the County's Community Development Division.

9 3.2 **Required Reporting During the Construction Phase.** Owner shall submit, or  
10 cause to be submitted, to the County the following comprehensive project documentation in  
11 accordance with the mandatory timelines and methods set forth below:

12 (A) **Evidence of Insurance and Bonds.** Proof of all required insurances, payment  
13 and performance bonds, and endorsements—to be provided strictly prior to the  
14 commencement of any construction activity; and not less than within 30 days of  
15 execution of this Agreement.

16 (B) **Monthly Progress Reports.** Monthly construction progress reports, including  
17 dated progress photos, executed or pending change orders, comprehensive draw  
18 packages, and any other status or completion materials related to the Project.

19 (C) **Reports, Packages, and Formal Correspondence.** Owner shall provide the  
20 County with copies of all reports, packages, and formal correspondence submitted to, or  
21 received from, any other project funder, the City, or any third-party compliance officer.  
22 This mandate explicitly includes, but is not limited to, all inspection reports, correction  
23 notices, clearances, or compliance determinations issued by the City's Building  
24 Inspector, Fire Marshall, Certified Access Specialist (CASp) inspector, or any other third-  
25 party regulatory official. All such materials shall be delivered to the County electronically  
26 within five (5) business days of its generation, submission, or receipt, regardless of  
27 whether such materials are provided to other entities sequentially or in phases.

28 (D) **Labor Compliance and Section 3 Reports.** Weekly certified payroll records and

1 weekly Section 3 compliance certifications and reports shall be provided directly to the  
2 County's Labor Compliance Officer exclusively through the County's web-based  
3 software, LCPtracker. Owner shall inform County's Project Analyst in writing within one  
4 (1) business day if the County's Labor Compliance Officer suggests or seemingly agrees  
5 to an alternative method for the provision of labor compliance records. The County's  
6 Community Development Division staff shall retain sole and absolute authority over the  
7 approved method of provision for all Labor Compliance and Section 3 records.

8 **(E) Monthly Reporting on Ongoing Suspension and Debarment Verification**  
9 **Checks.** Evidence of suspension and debarment checks (i.e. SAM.gov verifications)  
10 performed in real-time on all general contractors, subcontractors, tier-subcontractors,  
11 affiliates, principals (as defined inclusively in the broadest sense between both 2 CFR  
12 180.995 and 2 CFR Part 2424) or any other entities receiving a financial benefit or  
13 payment from any funds associated with this Project. All verification checks must be  
14 printed (to PDF okay), dated, and performed strictly prior to the triggers identified at 2  
15 CFR 180.300 including, but not limited to: the execution of any written agreements and  
16 prior to any amendments or change orders thereto, and prior to any payments.

17 **3.3 Required Reporting at the Close of Construction and for Project Closeout.**

18 Owner shall submit or cause to be submitted near or at completion of construction and prior to  
19 Project Closeout:

20 (A) County's Workbook of "Information Required for Project Closeout," as may be  
21 amended from time to time.

22 (B) Owner and CASp and Project Architect certification that the Property, as-built,  
23 satisfies the Accessibility

24 (C) Owner and Project Architect certification that the Project satisfies the  
25 Accessibility Requirements identified above and complies with Section 504

26 (D) A certified Lead Clearance Examination is mandatory before units can be re-  
27 occupied

28 (E) Owner and Project Architect certification of energy efficiency compliance and/or

1 any third-party verifications obtained which document the actual energy efficiency  
2 achieved for the finished construction Project

3 (F) Copies of all Project documents executed and/or recorded.

4 **3.4 Required Reporting During the Federal Period of Affordability.** Owner shall  
5 submit a digital HOME Monitoring Self-Certification in a format acceptable to the County, and  
6 provide digitally the list of monitoring documentation via a method acceptable to the County, no  
7 later than March 31 annually. The monitoring period covers January 1 to December 31 of the  
8 prior year.

9 **(A) Administrative Records**

- 10 (1) Application Fee Policy
- 11 (2) Property Management Agreement
- 12 (3) Procurement Files
- 13 (4) HOME Policies & Operating Procedures
- 14 (5) Other administrative records as requested

15 **(B) Property Maintenance Records**

- 16 (1) Insurance Certificates
  - 17 i. "Additional Insured" endorsements must be present
- 18 (2) Work Order Logs
  - 19 i. Last 3 months of entire property
  - 20 ii. Entire year for HOME units
  - 21 iii. Work orders must contain, at minimum:
    - 22 • Work Order #
    - 23 • Unit #
    - 24 • Date Requested
    - 25 • Date Responded
    - 26 • Date Resolved
    - 27 • Description of Problem: including explicit identification of severity, such
    - 28 as Routine, Urgent, or NSPIRE Life-Threatening

- Notes on Resolution

(3) Annual Property Inspection Reports

(4) Property Manager reports to Owner

(5) Other property management records, as requested

**(C) Fair Housing and Civil Rights Records**

(1) Tenant Participation Plan (CHDO requirement)

(2) Tenant Selection Plan

(3) Tenant Waiting List, including at minimum:

i. Date and time the application/pre-application was submitted

ii. Head of Household

iii. Contact Information (telephone number)

iv. Identification of any need for an accessible unit

v. Preference status (e.g. veteran status, victim of domestic violence, etc.), if any

vi. Unit size

vii. Annual income level

viii. Notes regarding the results of owner/manager contact

(4) Interested Renters Procedures

(5) Grievance Policy

(6) Applicant Rejection Letters

(7) Tenant Income Calculation Policy

(8) Affirmative Marketing Plan

(9) Advertising Literature

(10) Pet Policy

(11) Disability Accommodations

(12) Photo of posted Fair Housing Logo

(13) Other Fair Housing and Civil Rights documents as requested

**(D) Financial Records**

- 1 (1) Audited Financial Statements
- 2 (2) Annual Budget
- 3 (3) Budget Balance Sheet
- 4 (4) Annual Profit and Loss Statement
- 5 (5) Capital Needs Analysis, at minimum, every 3 years.
- 6 (6) Other financial reports, as needed

7 **(E) Tenant Files**

- 8 (1) Current Rent Roll, which must contain:
  - 9 i. Unit Number
  - 10 ii. Tenant Name
  - 11 iii. Household Size
  - 12 iv. Unit Type/Size
  - 13 v. HOME Unit Designation (Low Home)
  - 14 vi. Other subsidies impacting tenant rent
  - 15 vii. Unit Market-Rate Rent
  - 16 viii. Rent Charged to Tenant
  - 17 ix. Maximum Allowable Rent
  - 18 x. Utility Allowance
  - 19 xi. Other Rental Assistance
  - 20 xii. Other Rental Subsidies
  - 21 xiii. Move-In Date
  - 22 xiv. Certified Annual Income
  - 23 xv. % AMI
  - 24 xvi. Income Compliance Status
  - 25 xvii. Asset Verification (HOTMA)
  - 26 xviii. Date of Last Income Certification
  - 27 xix. Next Recertification Date
- 28 (2) Occupancy Report, property-wide

1 (3) NEW HOME Tenant Documentation / Every 6th Year of the Property, all  
2 HOME tenants to go through full recertification (County to Identify which year is the  
3 sixth year, based on HUD data, not calendar)

- 4 i. Application (not required for recert)
- 5 ii. Lease Agreements, including the following addenda:
  - 6 • HOME Tenancy Addendum
  - 7 • VAWA Addendum
  - 8 • Lead-Based Paint Disclosure
- 9 iii. Initial Income Certifications & supporting documentation

10 (4) Annual Recertifying Tenant Documentation

- 11 i. Annual Income Recertification Packet
- 12 ii. HOME Safe Harbor Income Certification
- 13 iii. Lease with HOME/VAWA/LBP Addendum

14 (5) Utility Allowance Methodology & Worksheets per tenant

15 (6) Move-out Documentation & Costs

16 (7) Explanation of unit vacancies

17 (8) Other tenant documents as requested

18 **3.5 Required Reporting During the Post-Regulatory Period.**

- 19 (A) Proof of Insurance
- 20 (B) Financial Records as above in the Period of Affordability
- 21 (C) Proof of Meeting Property Maintenance Standards
- 22 (D) Annual Certification Workbook
- 23 (E) Rent Roll
- 24 (F) Other records upon request

25 **3.6 Subsequent County Monitoring, Reporting, and Inspection Guidance.** After

26 construction of the Project is complete, the Owner agrees to cooperate with the County's  
27 ongoing monitoring, reporting, and property inspection processes. To facilitate this, the County  
28 may establish and reasonably update administrative procedures, data formats, and submission

1 methods, which may be compiled into a *Rental Management Handbook for HOME Project*  
2 *Owners and Property Managers* (“the Handbook”), or similar title. The Owner agrees to utilize  
3 the specific forms, templates, and reporting schedules prescribed by the County or the  
4 Handbook to demonstrate compliance with the underlying State and Federal regulations  
5 governing the Project. The introduction or amendment of these administrative reporting formats  
6 shall not be construed as imposing new substantive regulatory burdens on the Project.

7 **3.7 Reporting to the State of California.** Funding included in this Agreement triggers  
8 reporting and noticing requirements under State law.

9 (A) **Statutory Obligation and Preservation Laws.** Owner explicitly covenants and  
10 agrees to comply with all applicable provisions of California’s Affordable Housing  
11 Preservation Laws codified at California Government Code sections [65863.10](#),  
12 [65863.11](#), and [65863.13](#) (collectively, the “Preservation Laws”). Owner acknowledges  
13 that the receipt of HOME, PLHA, or any other fund identified in the Preservation Laws  
14 triggers an “assisted housing development” status for the Project under these statutes,  
15 making the Project subject to strict state notification, reporting, and right-of-first-refusal  
16 mandates.

17 (B) **Mandatory Annual Reporting and Portal Compliance.** Owner shall register the  
18 Property and complete the mandatory Annual Owner Compliance Certification through  
19 the California Department of Housing and Community Development’s (“HCD”) Affordable  
20 Housing Preservation Portal (or any subsequent data capture system established by  
21 HCD or any successor agency to HCD). This submission must be completed annually  
22 throughout the entire term of this agreement in compliance with HCD’s administrative  
23 standards. Failure to maintain active, compliant reporting on the State portal shall  
24 constitute a material Event of Default under this Agreement for failure to comply with  
25 State law.

26 (C) **Strict Adherence to Pre-Termination and Expiration Notices.** To prevent  
27 unlawful conversion or unexpected termination of affordability controls, Owner covenants  
28 to adhere strictly to all rolling tenant and public entity noticing deadlines mandated by

1 California Government Code Section 65863.10, as may be amended from time to time.  
2 Unless explicitly exempted under Section 65863.13 by recording a compliant long-term  
3 regulatory agreement, Owner must use HCD-approved templates to execute and deliver  
4 the following notices:

5 (1) **Three-Year Notice:** Delivered exactly three (3) years prior to the scheduled  
6 expiration date of the project's rental restrictions or subsidy contracts to all existing  
7 tenants, prospective applicants, HCD, the local Housing Authority, and the County.

8 (2) **Twelve-Month Notice:** Delivered exactly twelve (12) months prior to the  
9 expiration date to all affected tenant households and public entities.

10 (3) **Six-Month Notice:** Delivered exactly six (6) months prior to the expiration  
11 date to all affected tenant households and public entities.

12 (D) **Qualified Entity Notice of Opportunity to Purchase.** Pursuant to California  
13 Government Code Section 65863.11, before or concurrently with the delivery of the  
14 Twelve-Month Notice, Owner shall provide a formal Notice of Opportunity to Offer to  
15 Purchase via registered or certified mail to all HCD-certified "Qualified Entities"  
16 registered for the County of Fresno. Owner shall post a copy of this notice in a  
17 conspicuous, accessible common area on the property and submit a duplicate copy  
18 directly to HCD through the preservation portal.

#### 19 **Article 4 Information Required for Project Closeout**

20 4.1 **Records Required for Project Closeout.** The following records are required for the  
21 County to close out the Project, after said closeout occurs the Period of Affordability shall begin:

22 (A) **Final Cost Certification.** the Owner shall provide the County with a Final Cost  
23 Certification that has been duly authorized and certified by the Owner and an  
24 independent Certified Public Accountant (CPA), audited Statement of Cash Flows,  
25 Distribution of Net Cash Flow, Balance Sheet, Profit and Loss Statements

26 (B) **Fire Marshall Certification.** The Owner shall provide evidence of written  
27 certification from the responsible Fire Marshall that all HOME-assisted units and all  
28 accessible (mobility/sensory) units regardless of whether the accessible units contain a

1 County-assisted household, meet all applicable life-safety requirements including, but  
2 not limited to, placement and type of fire alarms and carbon-monoxide alarms.

3 (C) **Cost Certification and Budget Reconciliation Form.** In a format provided by  
4 the County or acceptable to the County, the Owner shall provide a Cost Certification and  
5 Budget Reconciliation Form. This form shall provide a line-by-line financial ledger  
6 detailing baseline estimated costs versus final actual costs for all construction trades,  
7 soft costs, and developer fees. It must identify all payees, detail the exact disbursement  
8 status of funds (amounts paid versus balances owed to date), include an Identity of  
9 Interest disclosure, and feature sworn certifications from both the Owner and General  
10 Contractor that all reported costs are true, accurate, and net of discounts, subject to  
11 federal penalties for falsification.

12 (D) **Scope of Work Comparison.** An assessment prepared by Owner and signed by  
13 the Architect identifying which elements of the scope were completed as intended, which  
14 elements of the scope were completed with modifications and the justification for  
15 changes, and which elements of the scope were not completed and the justification.

16 (E) **Owner's Certification and Third-Party Certification to County.** (See Article  
17 7.3 of this Exhibit.) The Owner, the Project Architect, and a third-party Certified Access  
18 Specialist (CASp) must each make a written certification to County of the post-  
19 rehabilitation Property's as-built status is in full compliance with the terms of 24 CFR  
20 92.251(b)(1)(iv), with the accompanying acknowledgement that the Property is a public  
21 building and a covered multifamily dwelling.

22 (F) **County's Closeout Workbook.** The County's closeout workbook in a format to  
23 be provided by County. Any additional documentation to substantiate compliance with  
24 Federal requirements or funding requirements.

25 (G) **Retention Payment Request.** The County's retention payment request form.

26 4.2 All records identified in the preceding paragraph must be complete and correct, with  
27 all findings resolved, for the County to close out the project in IDIS.  
28

1 **Article 5 Permitted Transfers**

2 5.1 **Definition.** As used in this Article, the term “Transfer” shall mean:

3 (A) Any total or partial sale, lease, assignment, or other conveyance, or any trust of  
4 power, or any transfer in any other mode or form, of, or with respect to, this Agreement  
5 or of any part of or interest in the Project; or

6 (B) Any total or partial sale, assignment, or other conveyance, or any other trust or  
7 power, or any transfer in any other mode or form, of, or with respect to, the Managing  
8 General Partner or Limited Partner Ownership interests of the Owner (except for  
9 transfers permitted in this Article); or

10 (C) Any agreement to do any of the foregoing.

11 5.2 **Justification for Limitation of Ability to Transfer.** This Agreement is entered into  
12 solely for the purpose of providing assistance for the Owner’s development and preservation of  
13 the Property, construction, and operation of the Project as affordable housing in accordance  
14 with the terms of this Agreement and the recorded Regulatory Agreement. The qualifications  
15 and identity of the Owner are of particular concern to the County, in view of:

16 (A) The importance of the Project to the general welfare of the community; the  
17 public aid that has been made available by law and by the government for the purpose  
18 of making such Project possible;

19 (B) The reliance by the County upon the unique qualifications and ability of the  
20 Owner to serve as the catalyst for development of the Property and upon the continuing  
21 interest which the Owner will have in the Project to assure the quality of the use,  
22 operation, and maintenance deemed critical by the County in the development of the  
23 Property;

24 (C) The fact that a change in Ownership or control of the Owner of the Project, or of  
25 a substantial part thereof, or any other act or transaction involving or resulting in a  
26 significant change in Ownership or with respect to the identity of the parties in control of  
27 the Owner or the degree thereof, is for practical purposes, a transfer or disposition of the  
28 Project;

1 (D) The importance to the County of the standards of use, affordability, operation,  
2 and maintenance of the Project;

3 (E) If HOME funds are involved in the Project, pursuant to [24 CFR 92.300\(a\)\(4\)\(ii\)](#),  
4 as applicable, the funds must be provided to the entity that owns the Project for the  
5 duration of the Period of Affordability, except as otherwise permitted by regulation; and

6 (F) This Project for rental housing was sponsored (affiliate) by the Manager of the  
7 Owner's Managing General Partner, Self-Help Enterprises, which **was certified** by the  
8 County as a CHDO for this Project and thereby **is obligated** to adhere to the HOME  
9 Provision at [24 CFR 92.300\(a\)\(4\)\(i\)](#).

10 **5.3 Conclusion of Justification and Prohibition on Unpermitted Transfers.** It is  
11 because of these aforementioned qualifications and the identity of the Owner and its Managing  
12 General Partner that the County is entering into this Agreement, and thus it is necessary that  
13 Transfers are permitted only as provided in this Agreement.

14 **5.4 Duration of Prohibition and Consequence of Unpermitted Transfers.** The  
15 limitations on Transfers set forth in this Article shall apply throughout the Period of Affordability,  
16 the term of the Regulatory Agreement, and the term of any Loan, whichever is longest. Any  
17 Transfer made in contravention of this Article shall, at the County's discretion, be void and shall  
18 be deemed to be an Event of Default under Article 6 of this Agreement.

19 **5.5 Transfers Permitted Without County's Written Consent.** Consent from the  
20 County is NOT required for the following:

21 (A) Rental of a housing unit by the Owner in the ordinary course of business and in  
22 compliance with this Agreement and the Regulatory Agreement; or

23 (B) The granting of temporary or permanent easements or permits to facilitate  
24 construction of improvements for the Project; or

25 (C) Subject to the condition that there is not an Instance of Breach or Event of  
26 Default as defined in Article 6, the transfer of the Project or the Investor Limited Partner's  
27 partnership interest to the Managing General Partner, its successors or assigns or an  
28 affiliate thereof following the expiration of the tax credit compliance period (which shall

1 not be less than 15 years from the date of this Agreement's execution), provided that  
2 Owner shall, not later than 180 days following the occurrence of any such events provide  
3 written notice thereof to the County under Article 5, and said transferee meets all criteria  
4 of section 5.6 below but for the prior written approval of County.

5 **5.6 Requirements for Obtaining County's Written Consent for Transfer.** Except as  
6 permitted under 5.5 any duly requested Transfer shall be permitted during the term of this  
7 Agreement only after:

8 (A) **Not Prohibited.** The County has verified the requested Transfer is not  
9 prohibited; and

10 (B) **Construction Complete.** The construction of the Project is complete; and

11 (C) **Qualifications.** The proposed transferee meets the following qualifications:

12 (1) The proposed transferee has at least five (5) years' experience operating  
13 multifamily rental housing developments comparable to the Project (including  
14 quantity of affordable units, complexity of layering of affordability requirements, and  
15 use of specific public funds).

16 (2) The proposed transferee has no record of loan defaults, maintenance  
17 problems, errors of determining eligibility, housing or building code violations, or  
18 substantiated fair housing complaints at properties it has owned or operated.

19 (3) The proposed transferee has satisfactory credit and satisfactory operational  
20 capital reserves.

21 (4) Any other requirements deemed necessary by the County to comply with  
22 applicable State or Federal regulations governing use of funds involved in this  
23 Agreement; and

24 (D) **Limited Ability to Replace the Managing General Partner.** In the event the  
25 Managing General Partner withdraws from the Owner's Limited Partnership business  
26 entity, the Owner shall replace the Managing General Partner with another Managing  
27 General Partner approved by the County in writing, and the new Managing General  
28 Partner must, unless otherwise agreed by the County in writing, be a current member of

1 the Limited Partnership; and

2 (E) **Written Approval from County.** The County has delivered to the Owner its prior  
3 written approval of such Transfer; and

4 (F) **Execution of Assignment of Agreement.** The transferee has assumed the  
5 Owner's future obligations under this Agreement by executing an Assignment of  
6 Agreement or such other reasonable documentation as the County may require.

7 **5.7 Prohibition on Removal of the Managing General Partner Except for Cause if**  
8 **the County's Funding Includes HOME Funds.** The Owner shall not remove or replace the  
9 Owner's Managing General Partner who acted as a CHDO housing sponsor under HUD  
10 regulations—or any subsequently authorized Managing General Partner that has been  
11 approved by the County in writing—from the Owner's Limited Partnership business entity,  
12 except with the County's prior written approval.

### 13 **Article 6 Ongoing Operations**

14 **6.1 Required Policies and Procedures.** The Owner shall develop, maintain, and strictly  
15 adhere to written operational policies and procedures that comply with this Agreement, all  
16 applicable HOME regulations at 24 CFR Part 92, and any operational adjustments as may be  
17 necessary to address deficiencies identified through the County's monitoring. At minimum, the  
18 Owner shall implement the following:

19 (A) **Tenant Selection Plan.** A written plan complying with 24 CFR 92.253(d) that  
20 limits County-assisted units to households earning below 50% AMI with adjusted rent  
21 procedures for households earning 50% AMI to 80% AMI, and next-unit identification  
22 plan for any households found to be earning in excess of 80% AMI upon recertification;  
23 outlines criteria for eligibility; identifies any specific population preferences authorized in  
24 the Project files submitted to other funders, the County's Consolidated Plan, and this  
25 Agreement; and establishes a process of ensuring strict compliance with VAWA  
26 protections under 24 CFR 92.359. The plan must mandate the use of a transparent  
27 waiting list where applicants are selected in chronological order to the extent possible  
28 (except for vacancies of ADA mobility/sensory units, which should be filled by a current

1 tenant needing the accessibility features or the next tenant on the waiting list needing  
2 the accessibility features of the vacant unit), explicitly prohibit the exclusion of Housing  
3 Choice Vouchers or other local or tenant-based rental voucher holders, and require  
4 prompt written notice to any rejected applicant stating the specific reasons for denial.

5 (B) **Fair Housing and Affirmative Marketing Policy.** An affirmative marketing plan  
6 that meets or exceeds the County's established fair housing and marketing  
7 requirements. Owner must maintain detailed documentation of all community outreach  
8 activities, including advertisements, flyers, and social media placements, along with  
9 tracking metrics to measure marketing results and support annual Fair Housing  
10 compliance reporting. Owner shall identify a specific person responsible for receiving  
11 Fair Housing and Civil Rights complaints or allegations, coordinating responses and  
12 reporting, and provide the name and contact information to the County and tenants on a  
13 no-less than annual basis.

14 (C) **Lease Compliance and Terms.** A standard written lease agreement between  
15 the Owner and each tenant that has an initial term of not less than one (1) year, unless a  
16 shorter term is mutually agreed upon in writing by both parties. The lease must fully  
17 incorporate the required VAWA lease addendum, the HOME tenancy addendum, and  
18 must strictly omit all prohibited lease terms and clauses detailed in 24 CFR 92.253(b).

19 (D) **Suspension and Debarment Verification of Tenants.** If this Project includes  
20 Federal funding, Owner shall implement and maintain a formal, written policy and  
21 procedure, consistent with the specifics of Exhibit F's Article 4, titled "Suspension,  
22 Debarment, and Ineligibility Verification," and all other applicable State and Federal laws.  
23 This policy must establish an explicit administrative protocol for ensuring and  
24 documenting compliance with the requirement that all individuals prohibited from  
25 receiving Federal funds or assistance shall not derive any benefit as a tenant in County-  
26 assisted units. To satisfy this requirement, the Owner's policy and operational  
27 procedures must, at minimum, satisfy the following criteria:

28 (1) **Self-Certification.** The Owner's policy must mandate the collection of a

1 signed, dated, Federal non-debarment and eligibility self-certification, executed  
2 under penalty of perjury, from every adult lease signatory at initial occupancy and  
3 during each annual household recertification. The self-certification must explicitly  
4 require applicants to represent and warrant that no member of the household is  
5 currently suspended, debarred, proposed for debarment, or otherwise declared  
6 ineligible or excluded from participation in Federal housing assistance, benefits, or  
7 non-procurement programs, or listed as an excluded party within the System for  
8 Award Management (“SAM.gov”). This certification shall be applied uniformly to all  
9 adult applicants and in strict accordance with all HUD Office of Fair Housing and  
10 Equal Opportunity (“FHEO”) guidelines.

11 (2) **Discovery and Lease Enforcement.** Owner shall include clear, conspicuous  
12 text within its written Tenant Selection Plan and individual lease addenda clarifying  
13 that the provision of a false, misleading, or incomplete certification regarding federal  
14 program exclusion constitutes a material program violation and a non-curable breach  
15 of the lease agreement. If the County or Owner subsequently identifies that an  
16 admitted household member was an excluded party at the time of admission or has  
17 been placed on a federal exclusion list during tenancy, the Owner shall immediately  
18 initiate lease termination and eviction proceedings in strict compliance with local law  
19 and program regulations.

20 (3) **Records Retention and Audit.** All executed self-certifications must be  
21 securely maintained within the individual tenant eligibility files and made digitally  
22 available to the County immediately upon request or during scheduled annual  
23 compliance and monitoring audits.

24 (E) **Records Retention Policy.** A comprehensive records management policy that  
25 ensures all project, tenant, financial, and compliance documentation is securely  
26 maintained and made available for the County’s or external State/Federal auditors’  
27 review for the minimum retention periods required by HOME regulations and the  
28 retention terms of this Agreement.

1        6.2        **Compliance with Fair Housing Act Regulations (24 CFR Part 100)**

2        **(a) Strict Compliance Mandate.** The Owner covenants and agrees, and shall cause its  
3        designated property management agent (the "Property Manager") to covenant and agree, to  
4        operate and manage the Project in strict compliance with the Fair Housing Act (42 U.S.C. §§  
5        3601 et seq.) and its implementing regulations at **24 CFR Part 100**, as may be amended from  
6        time to time. Neither the Owner nor the Property Manager shall discriminate against, or  
7        segregate, any person or group of persons on the basis of race, color, religion, sex (including  
8        sexual orientation and gender identity), disability, familial status, or national origin in the sale,  
9        lease, rental, sub-lease, transfer, use, occupancy, tenure, or enjoyment of the Project.

10       **(b) Property Management Agreement Flow-Down.** The Owner shall ensure that its contract  
11       with the Property Manager contains an explicit provision requiring the Property Manager to  
12       comply with 24 CFR Part 100 and all cross-cutting federal, state, and local civil rights laws. A  
13       copy of the executed property management agreement containing this language must be  
14       submitted to the County for review and written approval prior to the lease-up period.

15       **(c) Implementation of Protections.** Without limiting the generality of subsection (a), the Owner  
16       and Property Manager are specifically prohibited from engaging in any discriminatory housing  
17       practices outlined in 24 CFR Part 100, which includes, but is not limited to:

- 18       • Refusing to rent, stalling, or falsely representing that a unit is unavailable based on a  
19       protected characteristic;
- 20       • Setting different terms, conditions, or privileges for the rental of a dwelling unit;
- 21       • Engaging in discriminatory or predatory screening practices;
- 22       • Refusing to permit, at the expense of the person with a disability, reasonable  
23       modifications of existing premises, or refusing to make reasonable accommodations in  
24       rules, policies, practices, or services when necessary to afford a person with a disability  
25       equal opportunity to use and enjoy a dwelling (pursuant to 24 CFR Part 100, Subpart D);  
26       and
- 27       • Engaging in any conduct that results in a discriminatory effect or disparate impact on a  
28       protected class, in accordance with 24 CFR § 100.500.

1       6.3     **Non-Citizen Eligibility, PRWORA, and SAVE System Compliance.** County and  
2 Owner acknowledge that these requirements are swiftly moving and shall be subject to all lawful  
3 stays in effect and for a specific period of time after they go into effect, as determined by  
4 Federal regulation or guidance.

5           (A) **Applicability.** To the extent that any funding source layered into the Project  
6 (including, but not limited to, Project-Based Rental Assistance, Section 8 subsidies, or  
7 specific State public benefits) triggers the restrictions of Section 214 of the Housing and  
8 Community Development Act of 1980 or the Personal Responsibility and Work  
9 Opportunity Reconciliation Act of 1996 (“PRWORA”), Owner shall enforce all applicable  
10 Federal and State noncitizen eligibility requirements.

11           (B) **Verification Mandate.** Where and when applicable, Owner or its designated  
12 property management agent shall verify the citizenship or eligible immigration status of  
13 all applicants and residents through the U.S. Citizenship and Immigration Services  
14 (“USCIS”) Systematic Alien Verification for Entitlements (“SAVE”) system, or a separate  
15 system identified by regulation or published Federal guidance. Owner shall maintain all  
16 executed declarations, consent forms, and dated SAVE verification confirmation records  
17 securely within the tenant files for monitoring and audit purposes.

18           (C) **Evolving Federal Rules.** Owner acknowledges that Federal regulations  
19 governing mixed-status households, proration of assistance, and mandatory SAVE  
20 system tracking are subject to ongoing administrative updates by HUD and the  
21 Department of Homeland Security. Owner covenants to adjust its tenant screening and  
22 lease-enforcement protocols within the timeframe required by Federal law upon the  
23 formal implementation of any final Federal rules modifying noncitizen housing eligibility  
24 where all lawful, judicial stays have been resolved.

## Exhibit B - Project Specifics

### Article 1 Key Project Details Quick Reference

Project Name:	Selma Heritage (formerly known as Selma Elderly)
Project Address:	2745 Wright Street, Selma, CA 93662
Owner:	Selma Elderly L.P.
Owner's UEI:	FMU1UNXDPT71 Must renew on or before 2/12/2027
CHDO Sponsor & Managing General Partner (MGP):	Selma Elderly LLC
MGP Sole Member:	Self-Help Enterprises
General Contractor:	Ashwood Construction, Inc.
General Contractor UEI:	D173MU7ZHUR4 <b><u>(expired as of 4/9/2026)</u></b>
Property Manager:	AWI Management Corporation
Property Manager UEI:	<b><u>Could Not Locate</u></b>
Project Architect:	Ordiz-Melby, Inc., An Architectural Corporation
Term of Agreement:	Begins upon the date this document was executed, which shall not be affected by any amendments thereto. Ends on March 31, 2083 or when all three conditions in Article 4.1 are satisfied, whichever occurs later.
Period of Affordability:	Begins upon the County's closeout of the Project in the Federal IDIS database. Ends 15 years after the Project was closed out in IDIS.
Federal Compliance Period:	Begins concurrently with the Term of Agreement. Ends 15 years after the Project was closed out in IDIS, though certain provisions survive beyond the end date.
Extended Post-Regulatory Repayment Period:	Begins 15 years after the Project was closed out in IDIS, though certain provisions survive beyond the end date. Ends on March 31, 2083, in strict accordance with the final payment maturity date set forth in the Promissory Note and the County Loan Repayment Schedule.
Project Type:	Rehabilitation and Ongoing Operation of Affordable Multifamily Rental Housing
Rehabilitation Type:	<input type="checkbox"/> Substantial (24 CFR Part 8, 24 CFR 8.22) <input checked="" type="checkbox"/> Non-Substantial (24 CFR Part 8, 24 CFR 8.23(b))
County Funding Amount:	\$2 million and no/100
County's Funding Source:	Federal HOME funds subject to 24 CFR Part 92 and all applicable referenced regulations and requirements contained therein and any Federally-issued guidance pertinent thereto.

1 2 3	Davis-Bacon and Related Acts (DBRA):	This Project's inclusion of HOME funds does not trigger Davis-Bacon requirements, as only 11 HOME-units are assisted. In the event other Federal funds administered by a non-County entity involved in this Project trigger DBRA, Owner shall advise County within two (2) business days.
4 5 6	Applicability of Federal Build America, Buy America Act (BABA) Requirements:	Due to the HOME Federal Funding Years the County used for this Project, BABA provisions do not apply. In the event any Federal funds subject to BABA are included or added to this Project, Owner shall notify County and all funds expended shall be spent in accordance with BABA.
7	Expectation of Repayment:	Yes, the HOME funds are provided as a loan
8 9	Other Funding Impacting Affordability & Rent:	Project also received Low-Income Housing Tax Credits, a USDA 515 Loan, and USDA Project-Based Rental Assistance
10	Ongoing Property Standards:	NSPIRE or successor standards, regardless of funding source; life-threatening deficiencies to be corrected in 24 hrs.
11	Special Populations:	Restricted to income-qualified seniors, age 62+
12	Total Units:	24 units. 1 unit reserved for On-Site Manager, 23 units affordable with LIHTC and USDA income/rent restrictions.
13	Fixed or Floating:	The County-Assisted Units shall float within the 23 units.
14 15 16	County-Assisted Units:	11 Low HOME Rent Units Whose Initial Tenant Households Shall Income Qualify at or Below 50% AMI. Special HOME rent requirements apply for households recertifying in subsequent years with incomes of 50-80% AMI.
17 18	Over-Income for County-Assisted Units:	Units become over-income if the household's income exceeds HOME's 80% AMI at recertification and Owner <u>must</u> identify the next eligible unit completing an income qualification or recertification at or below 50% AMI as a replacement.
19 20 21	Project Floor HOME Rent:	Rents for the County-assisted units during the Period of Affordability need not be lower than the HUD-established Low HOME Rent in effect for Fresno County on June 1, 2026, after which this Agreement was executed: 1 Bedroom – \$910
22	Utility Allowances, as Applicable:	(1) USDA, (2) PHA's tenant-based voucher, (3) CTCAC's CUAC, (4) PHA's UAs
23 24	Project Utilities:	Paid by Owner: Electricity, natural gas, water, sewer, trash. Paid by Tenant: Internet, which is not governed by UA.
25	HOME Income Limits:	Obtain from County annually. Currently available from <a href="#">HUD</a> .
26	HOME Rent Limits:	Obtain from County annually. Currently available from <a href="#">HUD</a> .
27	HOME Maximum Per-Unit Subsidy:	\$215,122 per HOME-assisted unit, effective May 11, 2026, for one-bedroom units.
28	Project On-Site Services:	Per LIHTC: 84 hours/year of adult education, health & wellness, skill-building classes. And 60 hours/year of health & wellness services and programs. And free or heavily

	discounted dial-a-ride transportation service.
Lead-Based Paint:	Present throughout the Property. Children observed on property during inspection; tenants provide childcare to infants and children under age 6. Noticing requirements apply.
Project/Loan Number:	2565H02
Federal Assistance Number:	14.239, HOME Investment Partnerships Program

Table 1- Key Project Details

## Article 2 Type of Project

2.1 **Type.** Non-Substantial Rehabilitation and Ongoing Operation of Affordable Multifamily Rental Housing.

2.2 **Source of County's Funds.** The County is using Federal HOME funds to fund this Project. Additional requirements of HOME funds not addressed in Exhibit A or this Exhibit B are addressed in Exhibit F, titled "HOME Funding Requirements."

2.3 **Acquisition.** Acquisition is occurring as part of the overall activities, but it is not being funded by the County or HOME funds.

2.4 **Construction.** Affordable Housing Units, offered to eligible households at affordable rents, originally constructed in 1979, are being rehabilitated. The original 1979 building effort involved USDA funds, but the property's period of affordability had lapsed. Any references in this Agreement for "construct," "construction," or related terms shall be understood to refer to the rehabilitation process.

## Article 3 Project Description & Location

3.1 **Project Description.** The Selma Heritage Project involves the acquisition and rehabilitation of an existing 24-unit affordable housing development for elderly (age 62+) residents that will be renovated with HOME funds administered by the County of Fresno, Low-Income Housing Tax Credit funds (LIHTC) administered by the California Tax Credit Allocation Committee (CTCAC) and sustained for 30 years by USDA 515 funds for ongoing rental subsidies. After completion of renovation there will be 23 affordable units for seniors and one unit for an on-site property manager. The scope of rehabilitation will ensure that the project serves affordable housing needs in the area and improve accessibility for the occupants. The construction cost estimate is within the threshold limits to be considered minor rehabilitation,

with no change in building footprint, and no change of use.

3.2 **Location.** The Project site assessed for environmental impacts consists of 1.4 acres on the west side of Wright Street, between Floral Avenue and Stillman Street. The Property is NOT in a Special Flood Hazard Area, as defined by FEMA, as of May 2026. A legal description of the Property is included as **Attachment B1 – Legal Description of the Land.**

3.3 **Address.** The Project already has a designated address at **2745 Wright Street, Selma, CA 93662**, also known as “the Property.”

3.4 **City.** Any references in this Agreement to “the City” shall refer to the City of Selma, and its agents, employees, officers, inspectors, managers, contractors, compliance officers, etc.

3.5 **Buildings.** Information on the sizes of the buildings are included in the table below. This information was used in part of the County’s cost allocation process.

3.6 **Buildings.** The Property consists of three (3) single-story residential structures of differing sizes. This information was used in part of the County’s cost allocation process. The County also determined that the 1-bedroom, 1 bathroom Type 1 Units and Type 2 Units are comparable to each other, as they have only minor variations of layout and size (averaging 512 square feet, +/- 22 square feet), and do not differ in terms of configuration, amenities and finishes, or rents. Information on the sizes and features of the buildings on the Property are included in the table below.

<b>Building 1 (South)</b>				<b>Building 2 (Center)</b>			
	<b>#</b>	<b>Sq. Ft.</b>	<b>Total Sq. Ft.</b>		<b>#</b>	<b>Sq. Ft.</b>	<b>Total Sq. Ft.</b>
Type 1 Unit	4	534	2,136	Type 1 Unit	4	534	2,136
Type 2 Unit	4	491	1,964	Type 2 Unit	4	491	1,964
Laundry Room	1	136	136	Laundry Room	1	136	136
Plumbing Corridors			742	Plumbing Corridors			742
Total Sq. Ft. Building 1			4,978	Total Sq. Ft. Bldg. 2			4,978
<b>Building 3 (North)</b>				<b>Total Project</b>			
<b>Building Feature</b>	<b>#</b>	<b>Sq. Ft.</b>	<b>Total Sq. Ft.</b>				<b>Total Sq. Ft.</b>
Office / Community Room	1	784	784	Residential Space B1			4,100
Type 1 Unit	4	534	2,136	Residential Space B2			4,100
Type 2 Unit	4	491	1,964	Residential Space B3			4,100
Maintenance Room	1	136	136	Total Residential Square Footage			12,300
Plumbing Corridors			859	Office / Community Room			784
Total Sq. Ft. Building 3			5,879	Corridors, Laundry, Maintenance			2,751
				Total Project Square Footage			15,835

Table 2 - Building Square Footage

3.7 **Availability of Addresses and Unit Designations of ADA Units.** New construction will often not have formal addresses or unit designations identified. In the event unit designations for ADA Mobility and Sensory Units are not known, the County may update this document via dated initials next to the edit, to reflect the correct unit designations, without further need for a formal amendment.

**Article 4 Period of Affordability**

4.1 Following completion of construction or rehabilitation, the Project (including, but not limited to, its rents, maximum tenant income, and leasing requirements) is subject to a Period of Affordability during which certain requirements and restrictions must be followed. The funding source(s) determining this Project’s Period of Affordability are included in the table below. Any minimum Periods of Affordability not administered by the County are included here for informational purposes only and do not constitute an attempt by the County to extend the County’s enforced Period of Affordability to align. The County’s knowledge of these other informational periods of affordability impact how the County determines eligible rents for the Project during the County’s Period of Affordability. However, following the County’s Period of Affordability, if the term of this Agreement is still in effect due to funds being owed to the County by the Owner, the Owner shall ensure full compliance with all other applicable periods of affordability so as not to endanger the financial feasibility of the Project. Owner shall notify the County within two (2) business days if the informational minimum periods of affordability change from what is listed below.

Funding Source & Governing Regulation for Length of the PoA	Minimum Period of Affordability	This Agreement’s Period of Affordability
<b>County’s Federal HOME Funds</b> <a href="#">24 CFR 92.252(d)</a>	15 years	15 years
<b>USDA 515 + PBRA Subsidies</b> (administered by USDA)	30 years <i>Informational only</i>	n/a

<p style="text-align: center;"><b>LIHTC</b> (administered by CTCAC)</p>	<p style="text-align: center;">55 years <i>Informational only</i></p>	<p style="text-align: center;">n/a</p>
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Table 3 - Period of Affordability

4.2 **HOME Period of Affordability:** As more than \$50,000 in HOME funding was involved per-unit for rehabilitation, **the minimum length of this Agreement’s Period of Affordability for HOME is 15 years, beginning only upon the date the Project is closed out by County staff in the Federal IDIS database. All references within this document to an enforceable “Period of Affordability” shall refer to this 15-year length of time that begins upon the date the project is closed in IDIS.** A Project’s Notice of Occupancy, nor a Notice of Completion, nor the Placed in Service date impact the beginning of the HOME Period of Affordability. The County must receive all closeout documents and pay out all funding to the Owner prior to marking the Project complete in IDIS and beginning the Period of Affordability.

4.3 **HOME Obligations During the Period of Affordability.** Owner shall ensure the Project meets the affordability requirements of [24 CFR 92.252](#), as applicable, throughout the County’s Period of Affordability. Failure to comply with this requirement shall constitute an instance of material breach and result in the Owner being subject to the remedies described in Article 6. Owner acknowledges, understands, and shall inform all partners, successors, transferees, and assigns (or potential partners, successors, transferees, and assigns) that in accordance with [24 CFR 92.252\(e\)\(1\)\(i\)](#), the Period of Affordability and HOME’s affordability requirements “apply without regard to the term of any loan or mortgage, repayment of the HOME investment, or the transfer of Ownership.”

**Article 5 County-Assisted Units, Unit Mix, & Income Limits**

5.1 **Designation of County-Assisted Units. Fixed or Floating?** The County-assisted units shall float within the available unit mix. This means that the County-assisted unit is not tied for the duration of the Federal Period of Affordability to a specific apartment number.

5.2 **Unit Mix.** The County is subsidizing the construction of units as identified in the table below. All eleven (11) units shall be Low HOME units. **[THIS TABLE SHALL BE UPDATED TO REFLECT ONLY 19 USDA PBRA Units and 23 LIHTC UNITS. AND WHETHER ALL HOME UNITS WILL BE LIHTC+PBRA OR NOT.]**

# of Bedrooms	Approximate Unit Size (sq. ft.)	Total Units	Income Restriction	County-Assisted Units which are also LIHTC and receive USDA Project-Based Rental Assistance	Other Income-Restricted Units which are LIHTC and receive USDA PBRA	Total Units
1 bedroom	512	1 Unrestricted	Manager's Unit	n/a	n/a	1
		23 Income Restricted	30% AMI	0	3	3
			40% AMI	0	4	4
			50% AMI	11	5	16
<b>Total Units</b>				<b>11</b>	<b>12</b>	<b>24</b>

Table 4 - Unit Mix

5.3 **Initial HOME Income Limits.** For income determinations after June 1, 2026 and before the next income limit for HOME becomes effective, Owner shall use the initial household income limits (as may be updated by HUD) and subject to the further requirements outlined in this Article, throughout this Exhibit, and in the other Exhibits. Income limits change annually and shall be obtained from the County or from [HUD](#).

<b>Low HOME Income Limit (50% AMI or Less), effective June 1, 2026</b>					
Household Size	1	2	3	4	5
Income Limit	\$34,000	\$38,850	\$43,700	\$48,550	\$52,450
<b>High HOME Income Limit (80% AMI), effective June 1, 2026</b>					
Household Size	1	2	3	4	5
Income Limit	\$54,400	\$62,200	\$69,950	\$77,700	\$83,950

Table 5 - Initial HOME Income Limits

5.4 **County-Assisted Units.** There are eleven (11) County-assisted units that shall float within the property; all shall be rented at the initial lease-up following construction to households with incomes at or below 50% AMI. The Owner may not designate households earning above 50% AMI as County-assisted units during the return to the property following rehabilitation. New tenants to the property that subsequently rent the County-assisted units during the Period of Affordability must also have initial incomes at or below 50% AMI. Tenants in

1 County-assisted units that initially certified as earning 50% AMI may remain as County-assisted  
2 tenants so long as their subsequent income certifications demonstrate the household earns less  
3 than 80% AMI. The Owner shall ensure that, upon finding a recertifying County-assisted unit  
4 contains a household earning more than 80% AMI for their household size (“over-income”), the  
5 Owner or its agents shall not identify that unit as a County-assisted unit, but instead shall  
6 transfer the Low HOME designation to the next household (occupying a unit of comparable or  
7 smaller size) executing a fresh lease or completing a new tenant income qualification as a  
8 County-assisted unit. Failure by the Owner or its agent to re-designate the over-income County-  
9 assisted unit to a new, income-qualified household at or below 50% AMI shall constitute an  
10 Instance of Breach as identified in Article 6 to this Agreement. The Owner and its agent are  
11 cautioned that the HOME threshold for “over-income” differs from other funding sources.

12 **5.5 Area Median Income (AMI) Limits. HOME Income Limits.** The Area Median  
13 Income (AMI) Limits used during the County’s Period of Affordability shall be specific to the  
14 ones issued by HUD for the HOME program. The Owner and its affiliates are cautioned that  
15 LIHTC income limits for 50% AMI may not match HOME income limits for 50% AMI. While the  
16 Housing Opportunity Through Modernization Act of 2016 (“HOTMA”), Public Law 114-201, and  
17 its implementing regulations set forth in the HUD Final Rule (88 FR 9600) amending 24 CFR  
18 Parts 5 and 92 provisions permit the County to rely on the Owner’s income determination under  
19 LIHTC or USDA Project-Based Rental Assistance (PBRA), Federal HOME regulations still  
20 requires the Owner’s evaluation of the household’s income against HOME-specific income  
21 limits, unless and until this requirement is further amended by Congress or HUD. In the event  
22 the Owner or its affiliates do not know the HOME Income Limits, the Owner or its affiliate shall  
23 contact the County’s Community Development Division.

24 **5.6 Special HOME Requirements for Initial Project Occupancy.** By statute, at initial  
25 lease-up upon completion of the Project, 100% of the HOME-assisted units must be at or below  
26 50% AMI.

27 **5.7 Statutory Minimum Number of Low HOME Units During the Period of**  
28 **Affordability.** At all times during the Federal Period of Affordability, pursuant to HOME rent

1 limits set at 24 CFR 92.252(a) and particularly 24 CFR 92.252(a)(2), a minimum of 20% of  
2 County-assisted units must be occupied by households at or below 50% AMI. For this Project of  
3 eleven (11) County-assisted units, this statutory floor would equate to a minimum of three (3)  
4 units. However, because this Agreement requires the identification of eleven (11) Low HOME  
5 Units and zero (0) High HOME Units, the Owner's contractual commitment exceeds the  
6 statutory minimum. Therefore, to be fully compliant with this Agreement, the property must be  
7 maintained at 11 Low HOME units throughout the Federal Period of Affordability.

## 8 **Article 6 Rents**

### 9 **6.1 Governing Requirements. Maximum Rent During the Period of Affordability.**

10 The HOME requirements in Exhibit F shall govern the rents for all County-assisted units for the  
11 duration of the Federal Period of Affordability.

12 **6.2 Source of Maximum Rent Information.** Maximum HOME rent information is  
13 available from HUD and the County on an annual basis.

14 **6.3 Definitions of HOME Rent Limits.** HOME rent limits differ from LIHTC and USDA  
15 rent limits. Although the various funding sources all use Area Median Income (AMI), the  
16 thresholds for different percentages and the subsequent income limits are not always the same.

17 1) **Over-Income HOME Rent (80% AMI or Higher).** Any County-assisted unit occupied by  
18 a household with an income exceeding 80% AMI is over-income and the unit is non-  
19 compliant. Owner shall follow the Over-Income Tenant process described below.

20 2) **High HOME Rent (50% AMI to 80% AMI).** Units occupied by households earning 50%  
21 to 80% AMI.

22 a. On HUD notices for HOME, 80% AMI is often identified as "Low Income."

23 3) **Low HOME Rent (50% AMI or Lower).** Units occupied by households earning at or  
24 below 50% AMI.

25 a. On HUD notices for HOME, 50% AMI is often identified as "Very Low Income."

26 4) **HOME Rent Limits Differ from Fair Market Rent.** Rent limits are published annually by  
27 HUD and often are notably lower than HUD's Fair Market Rents used by the Housing  
28 Choice Voucher (HCV) program. If at any time the Owner or its affiliates does not know  
the HOME Rent Limits, Owner shall contact the County's Community Development

1 Division to inquire.

2 6.4 **Rent Limits with More than One Subsidy.** Properties funded with multiple  
3 subsidies might have specific units designated as only HOME, PLHA, or LIHTC units; or the  
4 project might have units funded by LIHTC and HOME, or LIHTC and PLHA. The income  
5 targeting and affordability requirements for each unit must be met. If a unit carries a designation  
6 of HOME and LIHTC, household income limits and rent limits must meet the more restrictive  
7 (i.e. lowest) of the two income limit requirements. To reiterate: **If a unit carries the designation**  
8 **of both programs, it must meet the more-restrictive of the two rent limit requirements.**

9 6.5 **Rent Limit Rules for LIHTC-Assisted Units.** The following rent limit rules apply to  
10 units with LIHTC:

11 (A) **High HOME Rent + LIHTC.** The Owner may charge the lesser of the High  
12 HOME Rent or the LIHTC rent.

13 (B) **Low HOME Rent + LIHTC.** The Owner may charge the lesser of the Low HOME  
14 Rent or the LIHTC rent.

15 6.6 **No Exceptions for Tenant-Based Rental Assistance.** Neither LIHTC nor HOME  
16 make exceptions to their rent limits for households in possession of Tenant-Based Rental  
17 Assistance (“TBRA”). Housing Choice Vouchers (“HCV”), formerly known as “Section 8,” are a  
18 common form of TBRA, HUD-VASH vouchers for veterans is another common voucher. Units  
19 occupied by households with HCV/TBRA, must still only be charged rents limited to the rules of  
20 the applicable subsidies (e.g. HOME, LIHTC, PLHA). The Owner may not collect rents higher  
21 than the highest allowed if the household had no HCV/TBRA.

22 6.7 **Exceptions for Project-Based Rental Assistance.** Both LIHTC and HOME make  
23 certain exceptions to the rent limits for units with project-based rental assistance (“PBRA”)  
24 where tenants pay no more than 30% of their income for the combined sum of their rent and any  
25 tenant-paid utilities.

26 6.8 **Rent Limit Rules for PBRA-Assisted Units.** The following rent limit rules apply to  
27 units with PBRA:

28 (A) **High HOME Rent + PBRA (no LIHTC).** The *lesser* of the PBRA rent or the High

1 HOME Rent may be charged when the tenant household is between 50% to 80% AMI;  
2 or, if the tenant pays more than 30% of their income towards rent and tenant-paid  
3 utilities.

4 (B) **Low HOME Rent + PBRA (no LIHTC)**. The PBRA rent may be charged, even if  
5 it is higher than the Low HOME Rent, for any unit that meets all three conditions:

6 (1) The unit receives State or Federal PRBA.

7 (2) The unit is occupied by a household at or below 50% AMI.

8 (3) The household pays no more than 30% of its adjusted monthly income  
9 towards rent and tenant-paid utilities.

10 (C) **High HOME Rent + PBRA + LIHTC**. The most-restrictive rent of the three  
11 programs applies to the unit. Meaning, the maximum rent that can be charged/collected:  
12 is the lesser of:

13 (1) The High HOME Rent

14 (2) The LIHTC Rent

15 (3) The PBRA Program Rent

16 (D) **Low HOME Rent + PBRA + LIHTC**. The rent cannot exceed the PBRA program  
17 rent limit.

18 **6.9 Caution on Inconsistency Between HOME and LIHTC Treatment of Over-**  
19 **Income Tenants.** The County advises the Owner that while LIHTC units may allow a household  
20 that initially certified as low-income to earn up to 140% AMI, HOME is not so flexible. It is the  
21 County's expectation that all units identified as County-assisted (i.e. HOME-assisted units) are  
22 occupied by households earning no more than 50% of the Area Median Income (AMI).

23 **6.10 How to Treat Over-Income Tenants. Over-Income Tenant Waterfall.** In  
24 accordance with 24 CFR 92.252(h)(2), if a County-assisted unit recertifies at a household  
25 income exceeding 80% AMI, the Owner shall assess and abide by the following unless 24 CFR  
26 92.252(h)(2) is further amended:

27 (A) **Changes to Rent.** If the household with the income exceeding 80%:

28 (1) **Also has Project-Based Rental Assistance or Tenant-Based Rental**

1           **Assistance under any other Federal, State, or Local rental assistance or**  
2           **subsidy program** – the rules for over-income tenants under that program shall  
3           apply.

4           (2) **Also has rent restrictions under LIHTC (Section 42 of the Internal**  
5           **Revenue Code of 1986 [26 USC 42])** – LIHTC rules shall apply.

6           (3) **Is in a “floating” HOME-assisted unit, which is how this Project is**  
7           **structured, but only in the event the unit is no longer subject to the LIHTC or**  
8           **PBRA restrictions identified in subsections (1) and (2) above** – then:

- 9           i.   **Determine.** The Owner shall determine the following three values for the  
10           household:
- 11           a) 30% of the family’s actual adjusted monthly income; and
  - 12           b) HUD’s Fair Market Rent (“FMR”) for a comparable, unassisted unit in the  
13           neighborhood; and
  - 14           c) The maximum rent amount payable by the tenant permitted under State  
15           or local law.
- 16           ii. **Precedence.** If the amount calculated under (a) is lower than both (b) and  
17           (c), then the tenant household shall pay the amount calculated under (a). If  
18           the amount calculated under (a) exceeds either (b) or (c), then the tenant’s  
19           rent shall be capped at and equal to whichever is less between (b) and (c).

20           (B) **Duration of Rent Changes.** If any HOME-specific rents under this section apply,  
21           they shall only be binding until the Owner identifies the next available unit and transfers  
22           the HOME-assisted unit designation to the replacement unit.

23           (C) **Post-Regulatory Over-Income Deference.** During the Extended Post-  
24           Regulatory Repayment Period, the County will not monitor or enforce HOME-specific  
25           over-income substitution or next-available-unit rules. For any tenant household whose  
26           income exceeds the applicable program limits during Years 16 through 55, the Owner  
27           shall handle over-income certifications, rent adjustments, and unit re-designations in  
28           strict accordance with LIHTC rules (Section 42 of the Internal Revenue Code) and

1 USDA/PBRA regulations, as they may apply to the Project. In the event an over-income  
2 household is a recipient of Tenant-Based Rental Assistance (TBRA), including but not  
3 limited to Housing Choice Vouchers (HCV) or HUD-VASH vouchers, the rent  
4 adjustments, subsidy calculations, and tenancy protections shall be governed entirely by  
5 the rules of the issuing Public Housing Authority and the underlying voucher program  
6 regulations, serving as a safe harbor under this Agreement.

7 **6.11 Rent Floor. Minimum HOME Rent for the Duration of the Period of Affordability.**

8 The HOME program does not require the Owner to decrease rents below the HOME rent limits  
9 that were in effect at the time of project commitment. Based upon the FY2026 HOME Program  
10 Rents, which became effective June 1, 2026, and all income-restricted units at this property  
11 being designated as affordable to households at or below 50% AMI, the County shall not require  
12 the Owner to charge less than the FY2026, 1 Bedroom, Low HOME Rent Limit, which is \$910.

13 **6.12 Post-Regulatory Rent Standard and Safe Harbor.** Upon the expiration of the 15-  
14 year Federal Period of Affordability, the County's active management of HOME-specific rent  
15 tables and utility allowance waterfalls shall cease. During the Extended Post-Regulatory  
16 Repayment Period, maximum allowable rents and utility allowances shall automatically default  
17 to, and be governed by, the rules and restrictions established by the Low-Income Housing Tax  
18 Credit (LIHTC) program and the USDA Section 515/PBRA program, as applicable. The Owner's  
19 certification of compliance with the rent limits of those active programs shall serve as a safe  
20 harbor and satisfy the rent requirements of this Agreement, provided that gross project  
21 revenues are accurately captured and reported in the annual residual receipts financial  
22 statements submitted to the County.

23 **6.13 Utility Allowances.** Utility Allowances shall be governed by the following logic  
24 waterfall, as applicable to the specific unit and household and governed by the rules impacting  
25 the Property and unit when the specific rent and utility allowances are determined. The Owner  
26 shall utilize the Utility Allowances (UA) in the following strict order of applicability:

27 (A) **First USDA:** The annual USDA Rural Development-approved UA, which applies  
28 to all units if the Property receives a USDA Section 515 loan or PBRA.

1 (B) **Second HCV:** If USDA's UA no longer applies to the unit, then the UA identified  
2 by the local Public Housing Authority (PHA) for the Project's address shall apply, but  
3 only if an individual household has a Tenant-Based Housing Choice Voucher (HCV)  
4 from the local PHA.

5 (C) **Third CTCAC's CUAC.** If neither USDA nor a tenant-based HCV applies to the  
6 unit, then the UA identified by CTCAC's California Utility Allowance Calculator (CUAC),  
7 shall apply to all non-USDA, non-tenant-voucher tax credit units.

8 (D) **Fourth PHA.** If none of the above apply and the County must identify a UA  
9 specific to the County's Period of Affordability, then the UA schedule established by the  
10 Housing Authority of the County of Fresno specific to the Project's address shall apply.

### 11 **Article 7 Accessibility Requirements**

12 7.1 **Guiding Regulations.** The Project shall meet all applicable State and Federal  
13 requirements and standards relating to accessibility for disabled persons, including those State  
14 standards included for Public buildings contained within the California Building Code. As this  
15 Project includes Federal HOME funds for non-substantial rehabilitation of multifamily rental  
16 housing, the terms at [24 CFR 92.251\(b\)\(1\)\(iv\)](#) shall apply. Owner shall ensure the Project meets  
17 the accessibility requirements of 24 CFR Part 8, which implements Section 504 of the  
18 Rehabilitation Act of 1973 (29 USC 794), and Titles II and III of the Americans with Disabilities  
19 Act (42 USC 12131-12189) implemented at 28 CFR 35 and 36, as applicable. Covered  
20 multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and  
21 construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 USC  
22 3601-3619). If this Project is Federally-funded and has five (5) or more units (which this Project  
23 does), Owner shall ensure that, at minimum, 5% of the units are accessible to persons with  
24 mobility impairments and an additional 2% of the units are accessible to persons with hearing or  
25 vision (sensory) impairments, in accordance with 24 CFR Section 8.22. Portions of units shall  
26 be rounded upward.

27 7.2 **Fully Accessible Section 504 Units.** For purposes of reporting to HUD, the Project  
28 contains the following quantities of Section 504 Accessible units, which shall be fully accessible:

Requirement	Total Units	Assisted Units
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	<b>Section 504 Accessible</b>	<b>Section 504 Accessible</b>
Physical Disabilities (5% min. = min. of 2)	2	TBD Upon Lease Up
Auditory/Visual Disabilities (2% min. = min. of 1)	1	TBD Upon Lease Up
Total Section 504 Accessible Units (min. of 3)	3	TBD Upon Lease Up

Table 6 - ADA Units

7.3 **Owner's Certification and Third-Party Certification to County.** The Owner, the Project Architect, and a third-party Certified Access Specialist (CASp) must each make a written certification to County of the post-rehabilitation Property's as-built status is in full compliance with the terms of [24 CFR 92.251\(b\)\(1\)\(iv\)](#), with the accompanying acknowledgement that the Property is a public building and a covered multifamily dwelling.

7.4 **Handling of ADA Unit Wait List.** Pursuant to cross-cutting HUD requirements at [24 CFR 8.27](#), the Owner shall ensure the Property Manager is aware of the requirement to prioritize the ADA units for use by eligible households needing the accessibility features of each ADA unit. Consistent with 24 CFR 8.27, and all other applicable State and Federal laws, when an ADA unit becomes vacant, before offering the unit to a non-handicapped applicant household, the unit shall first be offered to:

(A) A current household of another unit within the same Project, or comparable project under common control, wherein a member of the household has a handicap requiring the accessibility features of the vacant unit but their current unit lacks the accessibility features; or, if no such household exists, then to:

(B) An eligible, qualified applicant household on the waiting list, wherein a member of the household requires the accessibility features of the vacant unit.

(C) Else, if no household needing the accessibility features of the vacant unit can be identified, the unit's vacancy, location, rent, income/program restrictions, accessibility features, and how to apply shall be communicated to the following entities (for as long as the entity or a comparable replacement exist and offer services within the County of Fresno) and applications shall be received for a period of no less than 10 calendar days or until the vacancy is filled by a household needing the features, whichever comes

1 earlier:

2 (1) The Deaf and Hard of Hearing Service Center / <https://dhhsc.org/>

3 (2) The Valley Center for the Blind / <https://myvcb.org/>

4 (3) Resources for Independence Central Valley / <https://ricv.org/>

5 (4) Central Valley Regional Center / <https://www.cvrc.org/>

6 (5) The Fresno-Madera Continuum of Care Housing Matcher / Contact County

7 (D) Else, if no household needing the accessibility features of the vacant unit can be  
8 identified, the unit may be opened temporarily for a household that does not need the  
9 accessibility features, subject to the contingencies identified at 24 CFR 8.27(b).

10 **7.5 Applicability of ADA Unit Marketing to Other Funding Sources.** Regardless of  
11 funding source, the County has identified that the marketing of units with ADA features should  
12 be prioritized for households needing said features. In the event non-HUD County-administered  
13 funding is used in this Agreement, the ADA Unit Marketing practices of the preceding Section  
14 (7.4) shall apply.

## 15 **Article 8 Construction Scope – Rehabilitation**

16 **8.1 Building Standards.** All aspects of the building construction will meet or exceed the  
17 County's Affordable Housing Programs Construction/Rehabilitation Standards (as may be  
18 amended from time to time) and the International Energy Conservation Code, and must comply  
19 with all applicable State and local building codes, including but not limited to the 2010 ADA  
20 Standards for Accessible Design, the Fair Housing Act, Section 504, and the 2022 California  
21 Building Code ("CBC"), which is Part 2 of Title 24 of the California Code of Regulations ("CCR"),  
22 Chapter 11B "Accessibility to Public Buildings, Public Accommodations, Commercial Buildings  
23 and Public Housing." When there is a conflict of the building standards, the strictest requirement  
24 amongst them shall apply.

25 **8.2 Accessibility.** All accessibility requirements identified in Article 7 to this Exhibit shall  
26 apply to the construction of this Project.

27 **8.3 Prohibition on Adding Items to Scope Without Written Approval.** To maintain  
28 and ensure regulatory compliance with NEPA and other applicable environmental review

standards, Owner expressly shall NOT perform, cause to be performed, or permit to be performed any additional work not included in the Rehabilitation Scope and Required Improvements set forth in Section 8.5 below without first securing prior written authorization from the County.

**8.4 Determination of Substantial vs. Non-Substantial Rehabilitation.** Accessibility requirements for HOME-funded projects under [24 CFR Part 8](#) are different, depending on whether the Project is determined to be Substantial Rehabilitation or not. Requirements for new construction of housing are listed at [24 CFR 8.22](#). Requirements for alterations of existing housing facilities are outlined at [24 CFR Part 8.23](#). However, 24 CFR 8.23(a) specifies, “If alterations are undertaken to a project (including a public housing project as required by [§ 8.25\(a\)\(2\)](#)) that has 15 or more units and the cost of the alterations is 75 percent or more of the replacement cost of the completed facility, then the provisions of [§ 8.22](#) shall apply,” which shifts the accessibility requirements for Projects deemed substantial rehabilitation to align with the requirements for new construction.

(A) **History of Determination for This Project.** The initial appraisal of the property, prepared to USDA standards and which was included in SHE’s application to the County’s NOFO, identified the replacement cost of the existing housing as being between \$2.77 million (the insurable replacement cost) and \$2.82 million (the market value). In **[TBD]**, it was determined that the estimated cost of construction is **[\$TBD]** million.

(B) **Determination for This Project.** Pursuant to details and assurances written in a letter from Ordiz-Melby Architects, Inc., dated **[TBD]**, 2026, the County has determined that this Project’s narrowed cost of rehabilitation does **[TBD]** exceed 75% of the cost to build the residential structures new.

**8.5 Priority of Rehabilitation Activities.** If the available construction budget is insufficient to complete the full scope of work contained in the Section 8.6 below, the following order of precedence will be followed in determining scope items to prioritize for completion:

(A) **Tier 1. Statutory / Health & Safety Requirements.**

1 (1) **NEPA.** Satisfaction of all National Environmental Policy Act (“NEPA”)  
2 statutory requirements and required mitigation.

3 (2) **Accessibility.** Items called out by a Certified Access Specialist (“CASp”)  
4 credentialed by the State of California, or required to satisfy Section 504, or other  
5 disability access requirements.

6 (3) **NSPIRE.** Items required to remove or abate deficiencies identified under  
7 NSPIRE standards.

8 (4) **Other Health & Safety.** All other items related to health and safety not  
9 addressed by the prior three categories.

10 (5) **Other State & Federal Laws.** All other items necessary for compliance with  
11 applicable State and Federal Laws.

12 (B) **Tier 2. Capital Needs & Preservation.** Any remaining items identified in the  
13 Capital Needs Analysis (“CNA”) or necessary to prevent and deter future property  
14 damage.

15 (C) **Tier 3. General Scope.** All other remaining scope items.

16 8.6 **Rehabilitation Scope and Required Improvements.** The Selma Heritage  
17 Rehabilitation Scope and Required Improvements are attached hereto as Attachment B2 to  
18 Exhibit B.

# Article 9 Unit Layout of Selma Heritage

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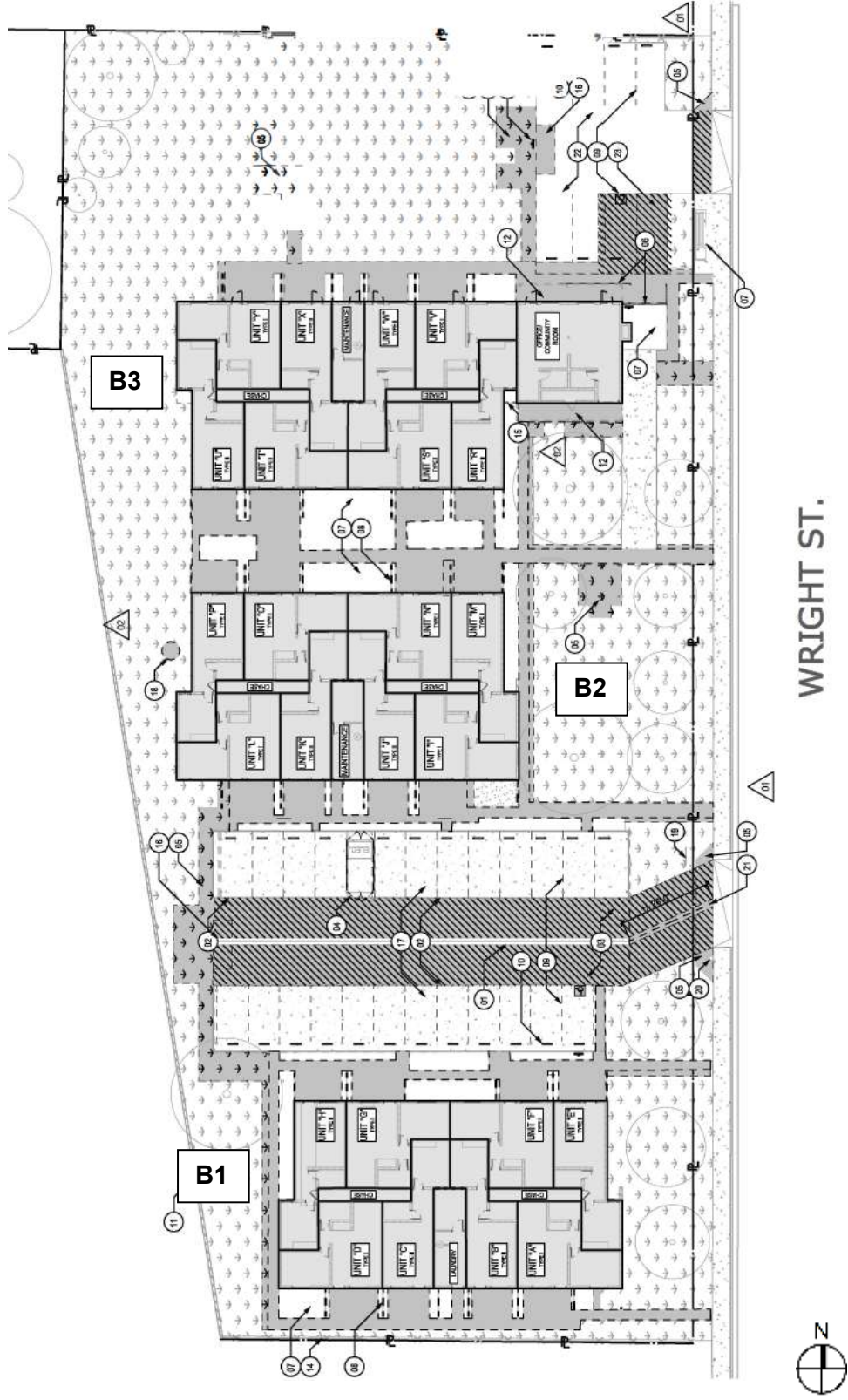


Figure 1 - Property Map of Units

1 **Article 10 County's Proposed Project Timeline**

2 10.1 **Project Timeline Applies to County Milestones.** The Project timeline recorded  
3 below is specific to milestones and dates known by County or of material importance to the  
4 County's funding requirements.

5 10.2 **Project Timelines Held to Strictest Applicable Requirements.** Various funders of  
6 this Project have different milestones and timeline requirements which must be met to satisfy  
7 their contractual obligations. So as not to jeopardize the Project, the Owner shall apply the  
8 strictest timeline requirements to each milestone, listed here or otherwise, in their performance  
9 under this Agreement.

10 10.3 **Updates to County.** Owner shall keep County informed of milestone timeline  
11 requirements impacting the Project or any changes thereto.

12 10.4 **Proposed Project Timeline.** The dates County and Owner propose to adhere to are  
13 included in the table below: **[ALL DATES IN DRAFT STATUS]**

<b>PROJECT MILESTONES</b>	<b>DATE</b>
URA Appraisal Date	February 19, 2026  (should be the appraisal BEFORE purchase)
URA Date of Project Application Submission for HOME and USDA	_____ (USDA) March 6, 2025 (HOME)
Plan Check Revisions	May 18, 2026
URA Date to Issue Notice of Intent to Acquire, Rehabilitate, and/or Demolish	January 7, 2026
URA Date the Written Offer to Purchase was Delivered	January 23, 2026
Building Permits	March 31, 2026
URA Date of the General Information Notice	_____
URA Date of the Initiation of Negotiations	_____

1	CTCAC Readiness Deadline	March 30, 2026
2	USDA Plan Approval Date	May 5, 2026
3	URA Date to Issue Notice of Non-Displacement	May 2026
4	URA Date to Provide a Comparable Replacement Dwelling	Must occur before Notice to Vacate so it may be included
6	URA Date to Issue Notice to Vacate (90 Day)	(Phase 1) May 26, 2026
7		(Phase 2) June 30, 2026
8		(Phase 3) July 28, 2026
9	URA Date of Title/Transfer / Closing	June 29, 2026
10	USDA Estimated Closing Date	June 29, 2026 (estimate)
11		
12	URA Date to Issue 90-Day Notice (Phase 2)	June 30, 2026
13	Proof of Insurance Due	30 Days After Agreement Execution
14	14-Day Notice to COUNTY of Pre-Construction Mtg.	TBD based on construction start
15		
16	Pre-Construction Meeting with Owner, COUNTY (ComDev & Labor Compliance), & Prime Contractor	TBD based on construction start
17		
18		
19	Start Construction	July 1, 2026 (proposed)
20	All Other Required Documents Due	Prior to First Construction Draw
21		
22	URA Date Tenants Must Move Out of Units	(Phase 1) August 24, 2026
23		(Phase 2) September 28, 2026
24		(Phase 3) October 26, 2026
25	COUNTY's Community Development Division Inspection(s)	Within 1 week of the CoO for the completed units.
26		
27	Punchlist Remediated	2 weeks after Inspection, unless otherwise agreed
28		

1	URA Date Tenants Return to Units	(Phase 1) September 28, 2026
2		(Phase 2) October 26, 2026
3		(Phase 3) November 23-25, 2026
4	Construction Substantially Complete	December 9, 2026
5	Construction Complete, as evidenced by the	December 9, 2026 (proposed)
6	Certificate of Occupancy (CoO) being Issued	CTCAC requires by 12/31/2027
7	Lease-Up / Move-Ins Complete	December 9, 2026
8	All Receipts & Reimbursement Requests Must Be	90 days after CoO
9	Submitted to COUNTY by	
10	Record Notice of Completion (NOC)	After CoO has been issued and all
11		receipts/reimbursement requests
12		have been made.
13	Submission to County of IDIS Information Required	Within 3 Months after NOC and
14	for Project Closeout	Correct Receipt of Project Closeout
15		Workbook and All Attachments
16	Estimated Conversion to Permanent Financing	July 1 <sup>st</sup> 2027
17	CTCAC Placed-In-Service (PIS) Deadline	December 31, 2027

18 *Table 7 - Proposed Project Timeline*

19  
20 **10.5 Statutory Timelines.** If this project contains Federal HOME funds, statutory  
21 deadlines are identified in Exhibit F.

22 **Article 11 Long-Term Asset Preservation and Reporting**

23 **11.1 Post-Regulatory Asset Preservation and Replacement Reserve Adjustments.**

24 During the Extended Post-Regulatory Repayment Period (Years 16 through 55), the County will  
25 continue to receive and review financial reports to determine residual receipts loan payments  
26 under the Loan Documents associated with this Agreement and described further in Exhibit C.

27 To ensure the physical integrity of the Project while protecting the County's financial interest, the  
28 following asset preservation rules apply:

1 (A) **Year 16 Capital Needs Assessment.** Within six (6) months following the formal  
2 exit and buyout of the initial Equity Investor, or within six (6) months following the  
3 expiration of the 15-year Federal Period of Affordability—whichever occurs last—the  
4 Owner shall commission a comprehensive, third-party Capital Needs Assessment  
5 (“CNA”) and submit a digital copy to the County within three (3) months of the  
6 commission date.

7 (B) **CNA-Based Operating Expense Allowance.** Annual contributions to the  
8 Restricted Replacement Reserve that conform to the schedule and thresholds  
9 recommended by the approved post-regulatory CNA (and any subsequent updates  
10 required every 10 years thereafter) shall be considered eligible operating expenses for  
11 the calculation of Residual Receipts.

12 (C) **Surplus Deposit Capping.** Any annual reserve deposits executed by the Owner  
13 that exceed the approved CNA schedule, and which effectively reduce the available  
14 Residual Receipts owed to the County, must receive prior written approval from the  
15 County to be considered an eligible operating expense. Undocumented or unapproved  
16 surplus deposits shall be added back into Net Cash Flow for the purposes of calculating  
17 the County’s loan repayment.

18 **11.2 Post-Regulatory Property Requirements.**

19 (A) **General Affordability Preservation.** Owner shall maintain the Property as  
20 affordable housing under all remaining applicable regulatory requirements, whether  
21 established by USDA or LIHTC, for the 24-unit Project’s 23 affordable units. Owner shall  
22 ensure that all regulatory requirements of the units are satisfied so as not to injure the  
23 long-term affordability (minimum of 55 years) of the Project.

24 (B) **Nondiscrimination and Fair Housing Safe Harbors.** Consistent with the  
25 HOME Program, the USDA 515 Program, and LIHTC requirements, there shall be no  
26 discrimination against nor segregation of any person or group of persons on account of  
27 race, color, creed, religion, sex, marital status, age, national origin, ancestry, or disability  
28 in the sale, transfer, use, occupancy, tenure, or enjoyment of any of the Property.

1 Operation of the Property must at all times be in accordance with 24 CFR Part 92.350,  
2 24 CFR Part 100, and all legally enforceable Executive Orders not subject to a judicial  
3 stay. Owner shall not permit any discriminatory action under the California Fair  
4 Employment and Housing Act (Government Code Section 12900 et seq.), including but  
5 not limited to discrimination based on source of income or the tenant's use of a housing  
6 voucher (e.g., Section 8/Housing Choice Vouchers or USDA Project-Based Rental  
7 Assistance).

8 (C) **Accessibility and Reasonable Accommodations.** Owner shall maintain the  
9 construction and rehabilitation modifications executed under 24 CFR 92.251(a)(3)(i) to  
10 ensure the Project continues to meet all applicable federal and state physical  
11 accessibility standards. Owner shall respond to and implement all requests for  
12 Reasonable Accommodation for a disability in strict compliance with Federal and State  
13 law, including but not limited to 24 CFR Part 100, Subpart D.

14 (D) **Post-Regulatory Property Standards.** In the furtherance of Fair Housing  
15 requirements and the County's Sixth Cycle Housing Element, the post-regulatory  
16 standards set forth in Exhibit A, Article 2, titled "Property Standards, Inspections, and  
17 Maintenance Reserves," attached and incorporated by this reference shall apply for the  
18 duration of the Extended Post-Regulatory Repayment Period.

19 11.3 **Financial Statement Delivery, Audits, and Recordkeeping.** The Owner's strict  
20 obligation to submit annual audited financial statements, operating budgets, and balance sheets  
21 to the County shall persist for the entire 55-year Term of Agreement. Owner shall adhere to all  
22 applicable State, Federal, and County requirements governing audits, recordkeeping, and  
23 operational reporting for this Project to facilitate the County's ongoing oversight of net cash flow,  
24 compliance, and furtherance of goals identified in the County's Housing Element of its General  
25 Plan, as it may exist in the future.

26 11.4 **Event of Default.** Any failure of the Owner to ensure the Project abides by the  
27 requirements of this Article shall constitute an Event of Default under this Agreement, subject to  
28 the remedies described in Article 6 of the main body of this Agreement.

1        11.5 **Survival.** The provisions of this Article shall apply to any modifications,  
2 amendments, or successor agreements thereto, and shall explicitly survive the closeout of the  
3 federal HOME compliance period in IDIS until the underlying County loan is satisfied or the 55-  
4 year term expires.

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**Legal Description of the Land**

[to be completed later]

**Selma Heritage Rehabilitation Scope and Required Improvements**

*Pursuant to County’s Inspection on January 21, 2026*

**[THIS ATTACHMENT IS IN DRAFT STATUS]**

**Site**

1. [CASp] Rework ADA parking for compliance and provide additional stalls; replace concrete at ADA stalls to correct non-compliant slopes as required
  - County Requirement: per CASp, ensure 1 van space for office, 2 van spaces for tenants, and 1 handicap (4 total ADA parking spots).
2. [CASp] Provide new ADA parking stall signage
  - County Requirement: Guest/visitor parking spaces (governed by Table 11B-208.2) remain open to anyone with a valid DP placard or plate on a first-come, first-served basis. However, resident spaces mapped under 11B-208.2.3.1 are fundamentally hard-linked to the residential units themselves and are intended to be assigned directly to the occupants of those units. Signage must ensure the 11B-208.2.3.1 parking spaces will be reserved and restricted for the specific tenants of the mobility units, or if unneeded by the tenants of the mobility units, reserved for specific tenant households needing disability accommodations.
3. [CASp] Install truncated domes at flush transitions near ADA parking
4. Trim mature trees throughout property to eliminate branches overhanging roofs
  - County Requirement: Prune trees around property that are overgrown and overhang roofs and tangled in power lines.
5. [CASp] Replace concrete walkways to provide accessible path of travel throughout site
  - County Requirement: ensure level and ADA-compliant path of travel from all units to street, parking lot, office, trash and mailboxes.
  - County Requirement: also address falling hazard of narrow entry to Laundry Room near Unit I

- 1 6. [CASp] Replace concrete at all building entries to provide level landings
- 2     • County Requirement: Mitigate observed slope issues with sidewalk grading at
- 3         doorways throughout the property. Residents cited trip hazards and falls having
- 4         occurred.
- 5 7. [CASp] Install tow-away signage at each parking lot entrance
- 6 8. Assess irrigation system; repair/replace components as required for fully functioning
- 7     system
- 8 9. [CASp] New parking lot striping
- 9     • County Recommendation: consider de-rusting and repainting car ports as they
- 10         are showing signs of deterioration
- 11 10. Hydrojet storm drain and sewer lines
- 12     • County Requirement: annual (or more frequent) hydrojet to be included in
- 13         Replacement Reserve costs in pro forma.
- 14
- 15 11. [CASp] Construct two new ADA/City compliant trash/recycling enclosure with metal
- 16     gates
- 17 12. [CASp] Replace with USPS cluster boxes with parcel lockers, provide accessibility at
- 18     mailboxes
- 19     • County Requirement: address trellis covering Unit R bedroom window (at
- 20         mailboxes), while necessary for privacy, as constructed it prevents emergency
- 21         egress. If possible, hinge as a gate so egress can be achieved while preserving
- 22         privacy.
- 23 13. New wheel stops in parking stalls
- 24 14. Provide concrete pad for picnic area with table and BBQ
- 25 15. Replace unit patio dividers between each unit
- 26     • County Recommendation: replacement or repair to satisfy NSPIRE.
- 27 16. [CASp] Replace non-compliant ramp at office entrance with sloped walkway with metal
- 28     railings (CASp item - address accessible entrance to building)

1 17. [NSPIRE] Add new monument sign

2 18. Provide new pet relief area with chain-link fence, pet waste station and bench

3 19. Remove existing shrubs and replace them with drought tolerant landscaping

- 4 • County Recommendation: trim landscaping back from structures, especially  
5 where needed to ensure emergency egress (noted Unit H bedroom window).

6 Noted ivy growing on Unit K bedroom window.

- 7 • County Recommendation: adjust irrigation systems away from structures.

8 Evidence of deteriorating brickwork due to prolonged moisture damage (rear of  
9 Unit G)

10 20. Provide decomposed granite infill in atrium/planter areas

- 11 • County Requirement: Tenants with bedroom windows opening into the atriums  
12 must have a safe, unrestricted, ADA path of travel to safety.

13 21. 2" grind and overlay of asphalt in parking lots

14 22. Provide accessible path across drive approach per City standards, typical of each site  
15 entrance

16 23. Replace wood fence and gates around electrical switchgear enclosure

17 24. Remove tree stump and related root system on east side of middle building; even out  
18 ground surface along building

- 19 • County Requirement: Remove dead tree near gas main

20 25. NSPIRE ITEMS NOT ON SCOPE OF WORK:

- 21 • County Requirement: address fall hazards and risk to foundation at rear of  
22 property due to steep grading and erosion.

- 23 • County Requirement: address debris issues across property. Staff identified dead  
24 branches resting on main electrical panel and old wood beams left out in front of  
25 units.

26 **Building Exterior/Envelope**

27 1. Replace damaged roof fascia and flashing as required

28 2. Replace built-up single ply roofing

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3. Replace asphalt composition shingle roofing
  - County Requirement: repair roof throughout, but particularly noticed damage on Unit P
4. Install roof gutters and downspouts throughout
  - County Requirement: clear gutter and downspout for the office nearest the main entrance
  - County Requirement: correct downspout drain distance at back of Unit I, as it does not discharge 18" away from building
  - County Recommendation: include drip edges and gutter apron flashing to reduce the need for future repairs.
5. Add Insulation at attic space where roof sheathing is replaced
  - County Recommendation: Add insulation, where appropriate, throughout property
6. Prime & paint building exterior - CMU, wood and metal surfaces (two coats of non-VOC paint in satin, single tone color)
7. [CASp] Replace all building signage - includes building signage and tactile signage at office and dwelling units
8. Replace all sliding doors and windows with vinyl windows - see Leasing Office scope for exception (includes wood stud infill with fiber cement board siding exterior finish at sliding door locations)
  - County Requirement: ensure all new doors and windows are properly sealed to prevent water and infestation intrusion, including maintenance corridor accessways. Windows shall be dual-pane or better.
  - County Requirement: replace all damaged window screens.
  - County Requirement: ensure all bedroom windows are easily openable by senior population for emergency egress. Inspection identified windows that were bolted shut or were difficult to open.
9. Remove solar panel water heating system on roof

1 10. [CASp] Replace all exterior doors and door hardware. Correct door hardware and  
2 provide low-profile thresholds to increase head height as much as possible.

- 3 • County Requirement: address all tripping hazards on raised door entries (noted  
4 Unit I in particular)
- 5 • County Requirement: Door width on all doors must provide a minimum 32-inch  
6 clear opening width when measured with the door open at 90 degrees. Owner  
7 must identify, in writing, at least fourteen (14) calendar days prior to the  
8 execution of this Agreement, any specific door clearances (per specific unit or  
9 location) that cannot achieve this standard, along with supporting architectural  
10 documentation, so that County may evaluate such claims with Federal  
11 accessibility technical assistance providers. Any claims that a 32-inch clear  
12 opening width cannot be achieved that are presented after the execution of this  
13 Agreement shall not be excused, shall constitute an Event of Default, as an  
14 Incorrect Representation, subject to the proportional remedies and cure  
15 mechanics described in Article 6 of this Agreement.
- 16 • County Requirement: Door handles of all units and spaces across the property  
17 shall be ADA compliant, including (1) the handle must be completely operable  
18 with one hand; and (2) the handle must not require tight grasping, tight pinching,  
19 or twisting of the write. The handles used throughout the property on all doors  
20 shall be operable with the side of a palm or a closed fist.

21 11. [CASp] Provide two door viewers in unit entry doors

- 22 • County Requirement: ensure all exterior doors have functional deadbolts
- 23 • County Requirement: Ensure the entry doors of ADA mobility units have a  
24 viewing mechanism located between 34" and 44" above the finished floor. CBC  
25 11B is stricter than ADA.

26 12. ITEMS NOT ON SCOPE OF WORK:

- 27 • County Requirement: clear dirt and vegetation growing on top of office awning  
28 covering mailboxes

- County Recommendation: patch numerous drill holes in brick wall (mostly old privacy gate mounts) to prevent moisture intrusion and corrosion.

### **Leasing Office/Community Room**

#### **1. Install/replace smoke and carbon monoxide detector**

- County Requirement: Locations of smoke and carbon monoxide detectors per Fire Marshall. NSPIRE has specific guidance for locations. County's review determines NSPIRE requirements consistent with California Fire Marshall requirements.

#### **2. Replace all flooring and wall base**

#### **3. Prime and paint walls and ceilings throughout (2 coats of non-VOC paint in semi-gloss, single tone color)**

#### **4. [CASp] Replace cabinets, countertop, and sink in common area, provide accessible countertop height**

#### **5. Replace window coverings with vertical blinds**

#### **6. [CASp] Replace all toilet accessories in restroom, all at compliant heights**

#### **7. [CASp] Replace interior doors and hardware within existing frames, provide offset hinges where it is possible to increase clear width**

#### **8. [CASp] Provide tactile signage for interior spaces**

#### **9. Install WIFI extenders throughout site (as needed) to ensure service reaches all spaces**

#### **10. Repair/replace damaged Tongue & Groove ceilings (as needed)**

- County Requirement: Ensure repairs address ceiling water damage and wood rot.

#### **11. Replace north sliding door with swing door and sidelite**

- County Requirement: verify specs on office door for ADA and CASp Compliance
- County Requirement: ensure fire door installed/or fire door labeling replaced
- County Recommendation: repair holes in screen doors

#### **12. Abatement (if applicable - pending report results)**

## Laundry

1. [CASp] Replace countertop in existing laundry room
2. Add hookups for new stacked washer/dryer in existing laundry room
3. [CASp] Replace washer and dryer in existing laundry room with ADA compliant washer and dryer
4. Replace flooring in existing laundry room
5. Add hookups for two washers and two dryers in new laundry room
6. Repair/replace damaged Tongue & Groove ceilings (as needed)
  - County Requirement: address water intrusion present in ceiling and overhead lighting
7. Prime and paint walls and ceiling (2 coats of non-VOC paint in semi-gloss, single tone color)
8. Install new flooring/wall base and counter in new laundry room
9. NOT ON SCOPE OF WORK:
  - County Requirement: address damaged door

## Maintenance Room

1. Convert one maintenance room into laundry room (see 'Laundry' scope)
2. Provide striping on floor to indicate clear path required for egress out of atrium
  - County Requirement: remove combustible materials (including cardboard) near electrical panels and mark the floor to indicate zones where storage is prohibited.
  - County Requirement: address evidence of termite damage, fumigate before repairs

## Atriums

1. Clean all debris from atrium and provide decomposed granite surface
2. Provide clear path of travel for emergency egress from bedroom windows facing atrium
  - County Recommendation: install emergency exit signage, lighting, and floor striping to assist in emergency egress and ensure maintenance crew does not place items in the path of travel or near electrical panels.

- 1 3. Replace door between atrium and laundry/maintenance room to provide door and  
2 hardware with free egress to exterior
- 3 • County Requirement: ensure doors connecting atriums to maintenance/laundry  
4 rooms to exterior are unlocked in the direction of emergency egress

### 5 **Dwelling Units**

- 6 1. [CASp] (2) units provided with mobility features; (1) unit provided with communications  
7 features; all remaining units provided with adaptable features
- 8 1. Abatement (if applicable - pending report results)
- 9 • County Requirement: address rat and mouse infestations. Evidence of feces in  
10 multiple units and reports from tenants.
  - 11 • County Requirement: address insect infestation, primary cockroach, some  
12 termites. Heavy infestation in multiple units.
- 13 2. [CASp] Replace unit flooring with LVT and rubber top set base throughout - excluding  
14 bathroom. Replacing carpeting with CASp compliant flooring.
- 15 3. Replace bathroom flooring with sheet vinyl and rubber top set base
- 16 4. Replace damaged drywall ceilings as required
- 17 • County Requirement: address roof/ceiling moisture penetration issues in all units  
18 - multiple units show signs of water intrusion.
- 19 5. [CASp] Install ADA grab bars at bathtub entry
- 20 6. [CASp] Replace all kitchen appliances - range, vent hood and refrigerator, provide  
21 accessible appliances in all units
- 22 7. Replace window coverings with vertical blinds
- 23 8. [CASp] Replace interior doors and hardware within existing frames. Provide offset  
24 hinges where necessary to increase clear width
- 25 • County Requirement: ensure interior doors are functionally latchable and do not  
26 drag on flooring
- 27 9. [CASp] Remove and replace all kitchen cabinets and countertops with new cabinets and  
28 solid-surface countertops. Provide compliant casework, removable cabinet base at sink

- 1 cabinets, worksurface next to range, and 50% accessible storage in ADA units
- 2 10. Prime & paint all unit interiors (2 coats of non-VOC paint in semi-gloss, single tone color)
- 3 11. [CASp] Provide and install new medicine cabinet, cabinet storage, toilet paper holder,
- 4 tub/shower curtain rod, grab bars & towel bar, provide all at ADA compliant heights)
- 5 12. [CASp] Install accessible tub/shower in ADA units - grab bars, controls, removable seat,
- 6 etc.
- 7 13. Install WIFI extenders throughout site (as needed) to ensure service reaches all spaces
- 8 • County Requirement: ensure all units have the physical and mechanical capacity
- 9 to access high-speed internet per HOME funding requirements. Deficiencies
- 10 noted in existing units or remarked upon by tenants include: too many internet
- 11 access holes in the wall by the unit's front entry door, no internet access
- 12 holes/ports in the wall by the unit's front entry door, no internet access
- 13 holes/ports in the wall by the unit's bedroom. Ongoing internet subscription
- 14 service fees shall remain an optional, tenant-paid utility and are excluded from
- 15 gross rent and Utility Allowance calculations.
- 16 14. [CASp] Unit Type I only - replace closet shelving in bedroom to provide more space at
- 17 door and accessible clothing rod
- 18 15. [CASp] Unit Type I only - move bedroom door to provide door maneuvering clearance
- 19 inside bedroom
- 20 16. [CASp] Unit Type II only - remove and replace hall shelving to provide pantry storage
- 21 and more space adjacent to bathroom door for maneuvering space
- 22 17. [CASp] Unit Type II only - rework existing closet shelving to provide one accessible
- 23 clothing rod
- 24 18. [CASp] Unit Type II only - remove pony wall and post to provide more room at kitchen
- 25 19. NOT ON SCOPE OF WORK:
- 26 • NSPIRE County Requirement: scrub and paint interior walls where necessary -
- 27 multiple units show staining and/or mold.
- 28 • NSPIRE County Requirement: ensure maintenance corridors are secured,



- County Requirement: ensure all toilets are bolted securely (Noted Units N and O were not)

8. Add new clean outs at all restrooms

### **Fire Protection Systems**

1. Provide fire extinguishers throughout site

- County Requirement: recertify or replace expired extinguishers throughout property. Update inspection schedule and property map with extinguisher locations to prevent deficiencies from missed annual inspections.

### **Electrical**

1. Install GFCI outlets where required

- County Requirement: replace non-GFCI outlets in kitchen and bathroom areas (including office) within 6 feet of water sources.
- County Requirement: test all existing outlets for power/grounding, including GFCI units for operability (noted Unit C had defective GFCI in bathroom)

2. Install/replace smoke and carbon monoxide detectors in office and dwelling units

- County Requirement: Detectors shall be installed at all locations per Fire Marshall and in accordance with NSPIRE location requirements.

3. [CASp] Relocate all power receptacles, switches, thermostats and alarm system controls to be within accessible reach range where not compliant

4. Remove emergency call system in non-ADA units / repair call system in ADA units as needed

- County Requirement: If this system is removed, it must be replaced in ALL units with a new, comparable or better, Call-for-Aid system. If existing system is kept, test and replace call-for-aid switches, alarms, and lighting as necessary. This system is required by California and Federal law.

5. Replace exterior building light fixtures with LED

6. Remove and replace all interior light fixtures with LED

- County Requirement: check interior lighting for power, office, units E, M, V had

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non-functional lighting.

- 7. Add ceiling fans in office/community room, dwelling unit living rooms and bedrooms
- 8. Install new security cameras, monitor and recording devices
- 9. Repair lighting in building chases as needed
- 10. [CAsp] Provide control switch for range vent hood in kitchen within accessible reach range
- 11. [CAsp] Replace doorbells, provide visible signal in communication unit
- 12. [CAsp] Provide all ADA audible/visual features in communications unit

## Exhibit C - Funding & Funds Payable to County

The Owner will be reimbursed for eligible expenses incurred under this Agreement as provided in this Exhibit C. The Owner is not entitled to any funding except as expressly provided in this Exhibit C. The Owner shall pay to the County eligible fees as set forth below in this Exhibit C.

### Article 1 Maximum Funding & Loan Amount

1.1 **Maximum Funding for Owner.** In no event shall the Owner receive a loan of funds from the County for this Project in excess of **Two Million and No/100 Dollars (\$2,000,000)** during the Term of this Agreement.

1.2 **Loan Amount & Purpose.** To further its goal to increase and preserve the supply of affordable housing in the County of Fresno, the County shall extend a loan of up to the Maximum Funding amount described in this Agreement at **3% simple interest for a period of 55 years. No interest shall accumulate (interest of 0%) prior to the closeout of the Project in the Federal IDIS database. The 55 years shall begin upon the date the Notice of Completion is recorded.**

1.3 **Repayment.** Repayment of the loan shall be via Residual Receipts, with a 50%/50% split between Owner and County. Any amount of residual receipts not paid timely shall defer to the end of the loan period and be added to the balance owed the County.

1.4 **Early Repayment of Loan.** There shall be no penalty for early repayment of the loan; however, in the event the loan is repaid prior to the conclusion of the minimum Period of Affordability as identified in Exhibit B, the provisions of this Agreement and applicable provisions of its Exhibits shall remain in effect throughout the minimum Period of Affordability and the applicable post-Agreement audit period.

1.5 **Ability to Add More Federal HOME Funding.** Pursuant to HOME funding regulations, no additional HOME funds may be added to this Project if more than one year has elapsed since this Agreement's execution. Any additional HOME funding in excess of \$300,000 will exceed the Maximum Per-Unit Subsidy Limit of \$215,122 currently in effect for 1-bedroom units, thereby necessitating the designation of a twelfth (12th) HOME-assisted unit for the

Project. Pursuant to Federal law, a total count of twelve (12) or more HOME-assisted units will immediately trigger Davis-Bacon and Related Acts requirements.

1.6 **Ability to Add County-Administered Funding.** An addition of funding is neither planned nor guaranteed by the County, but would have requirements and caveats specific to the funding source used. Any additional funding requested for this project, if feasible and available in the sole discretion of the County, requires new underwriting and consideration by the County’s Board of Supervisors, requiring a minimum of 180 days’ notice prior to the desired date of execution.

**Article 2 Source of Funding**

2.1 **HOME Funding.** The funding provided through this Agreement is from the HOME Investment Partnerships Program, governed by 24 CFR Part 92 et seq., the County’s Consolidated Plan, the County’s Annual Action Plan, the County’s Sixth Cycle Housing Element, other applicable Federal requirements, and further described in Exhibit F to this Agreement, titled “HOME Funding Requirements.”

**Article 3 Anticipated Total Project Budget Sources & Uses of Funds**

3.1 **Anticipated Sources & Uses During Permanent Financing.** The sources and uses of funds during the permanent financing period for the Project (as identified in June 2026) as are anticipated by the Parties to be follows: **[UPDATES ANTICIPATED]**

Lien Position	Sources	Amount
1	New & Existing USDA – Federal 515 Perm Loan	\$1,687,732
2	County of Fresno – Federal HOME Loan	\$2,000,000
3	Rural Community Assistance Corporation – Capital Magnet Funds Loan	\$500,000
n/a	NEF FRE Selma Heritage MTE LP National Equity Fund, Inc. <i>(Tax Credit Investor Equity. Not a Loan. Not Repayable.)</i>	\$3,768,411
n/a	Sponsor Loan (from SHE)	\$500,000
n/a	Acquired Project Reserves <i>(Funds acquired from prior Owner.)</i>	\$4,897
n/a	Managing General Partner’s Capital – Sponsor	\$100
n/a	Accrued Interest During Construction	\$32,526
n/a	<b>Total Anticipated Sources</b>	<b>\$8,493,666</b>

Table 8 - Anticipated Sources of Total Project Funds During Permanent Financing

	<b>Uses</b>	<b>Amount</b>
	Acquisition	\$1,740,000
	Construction	\$4,037,769
	Financing	\$160,697
	Operating Reserves (operating + replacement reserves)	\$84,269
	Soft Costs	\$1,695,418
	Developer Fees	\$775,513
	<b>Total Anticipated Project Costs</b>	<b>\$8,493,666</b>

Table 9 - Anticipated Uses of Total Project Funds During Permanent Financing

3.2 **Anticipated Sources & Uses During Construction.** The sources and uses of funds during construction for the Project (as identified in June 2026) as are anticipated by the Parties to be follows:

<b>Lien Position</b>	<b>Sources</b>	<b>Amount</b>
1	JPMorgan Chase Bank Construction Loan	\$3,803,865
2	New & Existing USDA – Federal 515 Perm Loan	\$1,687,732
3	County of Fresno – Federal HOME Loan 0% Interest During Construction (\$100,000 is held for retention)	\$1,900,000
n/a	NEF FRE Selma Heritage MTE LP <i>(Tax Credit Investor Equity. Not a Loan. Not Repayable.)</i>	\$571,719
n/a	Acquired Project Reserves <i>(Funds acquired from prior Owner.)</i>	\$4,897
n/a	Managing General Partner’s Capital – Sponsor	\$100
n/a	Accrued Interest During Construction	\$32,526
n/a	Costs Deferred Until Conversion to Permanent Financing	\$493,826
n/a	<b>Total Anticipated Sources</b>	<b>\$8,493,666</b>

Table 10 - Anticipated Sources of Total Project Funds During Construction

	<b>Uses</b>	<b>Amount</b>
	Acquisition	\$1,740,000
	Construction	\$4,037,769
	Financing	\$160,697
	Operating Reserves (operating + replacement reserves)	\$84,269
	Soft Costs	\$1,695,418
	Developer Fees	\$775,513
	<b>Total Anticipated Project Costs</b>	<b>\$8,493,666</b>

Table 11 - Anticipated Uses of Total Project Funds During Construction

1                   **Article 4 Approved Project Budget of County-Administered Funding**

2           4.1   **Project Budget.** The County’s funds shall be used in accordance with the approved  
3 Project Budget, attached hereto and incorporated herein by reference as **Attachment C1 –**  
4 **Project Budget of County-Administered Funding.** The full project budget detail is attached  
5 hereto and incorporated herein by reference as **Attachment C2 – Project Budget Detail.**

6           4.2   **Cost Savings and Distribution of Excess Funds.** If actual total project costs are  
7 less than the approved development budget identified in Section 3.1 above, titled “Anticipated  
8 Sources & Uses During Permanent Financing,” the resulting cost savings and excess funds  
9 shall be allocated and managed in accordance with the following provisions:

10                   (A) **Primary Method of Allocation.** Unless the County elects the alternate method  
11 in subsection (B), cost savings shall be distributed pro-rata to reduce the adjustable soft  
12 debt / gap loan commitments (i.e., to the County and to RCAC) based on their relative  
13 proportion to each other. If RCAC or any other funder waives or relinquishes its claim to  
14 its pro-rata share, the County reserves the right to capture up to one hundred percent  
15 (100%) of the remaining cost savings to reduce the County’s loan balance.

16                   (B) **Alternate Method.** At the sole and absolute discretion of the County, excess  
17 funds may instead be distributed in accordance with an executed multi-funder  
18 Intercreditor Agreement, or as otherwise approved in writing by the County’s four (4)  
19 signatories authorized in Exhibit G, without requiring a formal written amendment to this  
20 Agreement.

21                   (C) **Prompt Return and Adjustment of County Commitments.** Owner shall  
22 promptly return any disbursed but unspent or unnecessary County funds, and the  
23 County reserves the right to reduce or cancel any undisbursed funding commitments to  
24 reflect the County’s adjusted share of project costs.

25                   (D) **No Increase to Developer Fees.** No cost savings shall be used to increase the  
26 Developer Fees or other Project funds flowing to Owner.

27                   (E) **Excess Funds Owed to County May Not Be Added to Reserves.** Prohibited  
28 by funding source requirements, the County’s funds shall not be used to capitalize an

1 Operating Reserve, nor to add capital to a Replacement Reserve.

2 **Article 5 Allowable Costs / Eligible Costs**

3 5.1 **Eligible Costs.** For costs reimbursed with Federal HOME funds, the expenses shall:

4 (A) Be consistent with the principles outlined in 2 CFR 200, Subpart E; and

5 (B) Be defined as eligible within the HOME regulations under:

6 (1) 24 CFR 92.205 “Eligible Activities: General”, or

7 (2) 24 CFR 92.206 “Eligible Project Costs,” excluding subparts (b) refinancing  
8 and (c) acquisition; and

9 (C) Include eligible soft costs, as defined in 24 CFR 92.206(d)(1), provided they were  
10 not incurred more than 24 months prior to execution of this Agreement; and

11 (D) Not be prohibited by 24 CFR 92.214 “Prohibited activities and fees.”

12 5.2 **Regulatory Precedence & Special Conditions.** Any financial management-related  
13 regulations specified in 24 CFR 92 take precedence over conflicting regulations within 2 CFR  
14 200. Additionally, the provisions of 24 CFR 92.210 “Troubled HOME-Assisted Rental Housing  
15 Projects” shall only apply with prior written authorization from HUD and only if the County made  
16 the request of HUD.

17 5.3 **Use of Funds & Disbursement Method.** The Owner shall use the County’s funds  
18 solely for necessary, eligible, and allocable construction costs and soft costs of the Project,  
19 strictly consistent with the approved project budget contained in this Exhibit. The Owner shall  
20 not use these funds for any other purpose without the prior written consent of the County. Funds  
21 shall be provided strictly on a reimbursement basis.

22 5.4 **Proration & Multi-Funding Source Requirements.** Consistent with cost-allocation  
23 principles and [24 CFR 92.205\(d\)](#), the County’s funds are available only for reimbursement of  
24 eligible costs upon a prorated basis subject to the following:

25 (A) **Standard Project Costs:** Reimbursed at  $11 / 24 = 45.833\%$  of each eligible cost,  
26 always rounded down to the next whole penny.

27 (B) **County/Federal Triggers:** Any eligible costs incurred specifically pursuant to the  
28 County’s local requirements or triggered exclusively by applicable Federal requirements

1 (e.g. Davis-Bacon, NEPA environmental requirements, or Uniform Relocation Act  
2 requirements), may be covered at 100% by County HOME funds, subject to fund  
3 availability and the approved budget.

4 **Article 6 Prerequisites for Disbursement of County Funds**

5 **6.1 Prerequisites for Funding.** Owner may not request disbursement County funds  
6 under this Agreement until all conditions stated in this section have been satisfied:

7 (A) Pursuant to [2 CFR 25.300](#), the Owner has obtained and provided to County a  
8 Federal Unique Entity Identifier and attained an active status in SAM.gov.

9 (B) State and Federal entity tax documents have been obtained and provided to the  
10 County.

11 (C) Certified Payroll for the period of time covered by the payment request has been  
12 provided, reviewed, and approved in accordance with Exhibit A to this Agreement.

13 (D) Affirmative Marketing Procedures have been provided, reviewed, and approved  
14 in accordance with Exhibit F to this Agreement.

15 (E) All insurance documents (including Property Insurance and both types of Bond  
16 Insurance) have been submitted, reviewed, and approved in accordance with Exhibit E  
17 to this Agreement.

18 (F) Funds are needed for reimbursement of eligible, documented costs.

19 (G) The expenses submitted for reimbursement have been already paid by the  
20 Owner, as evidenced by an “Unconditional Waiver and Release on Progress Payment.”

21 (H) The amount of the request is limited to the amount needed, inclusive of any  
22 proration.

23 (I) If this project is funded with Federal HOME funds: the Owner understands and  
24 acknowledges that the County shall use funds in the local account before requesting  
25 U.S. Treasury funds. Additionally, pursuant to [24 CFR 92.504\(c\)\(3\)\(viii\)](#), “The Owner  
26 may not request disbursement of funds under [this Agreement] until the funds are  
27 needed for payment of eligible costs. The amount of each request must be limited to the  
28 amount needed.”

1        6.2    **No Commitment.** Notwithstanding any other provision of the Agreement, the Parties  
 2 agree and acknowledge that this Agreement does not constitute a commitment of HOME Loan  
 3 funds, and that such “commitment of loan funds” or approval may occur only upon satisfactory  
 4 completion of all requirements contained in this Agreement or any other loan, security, or other  
 5 related documents are met by the Owner, as determined by the County.

6        6.3    **All Funding Necessary to Complete the Project Is Required.** Notwithstanding the  
 7 funding sources and amounts identified in other Exhibits to this Agreement, disbursements for  
 8 the Project from HOME Loan funds shall be contingent upon reliable evidence acceptable to the  
 9 County, in its sole discretion, that the Owner has obtained all funding necessary to meet the  
 10 Total Project Cost.

11       6.4    **Project Disbursement Schedule.** The Parties anticipate payments subject to the  
 12 terms of this Exhibit in accordance with the County Draw Schedule included below:

Draw #	Portion of Funds	Max Dollar Amount Requested	5% Retention	Amount Disbursed*
0	Deposit at Escrow	\$0	\$0	\$0
1	50% of Total Loan Amt. (1st construction draw)	\$1,000,000	\$50,000	\$950,000
2	50% of Total Loan Amt. (2nd construction draw)	\$1,000,000	\$50,000	\$950,000
n/a	<b>Total During Construction</b>	<b>\$2,000,000</b>	<b>\$100,000</b>	<b>\$1,900,000</b>
3	Retention Amount (5%) (available to request after County's punchlist has been remediated and the Project Closeout Workbook has been completed by Owner and submitted to County, with no corrections or updates needed)	\$100,000	\$0	\$100,000
n/a	<b>Total During Permanent Financing</b>	<b>\$2,000,000</b>	<b>\$0</b>	<b>\$2,000,000</b>

Table 12 - County Draw Schedule

1 **Article 7 Invoicing Process**

2 7.1 **Invoice Payments Subject to Prerequisites.** By entering into this Agreement,  
3 Owner acknowledges and understands and will abide by the Prerequisites for Disbursement of  
4 County Funds discussed in Article 6 above.

5 7.2 **Sufficient Funding Required.** Owner shall maintain sufficient positive cash flow  
6 throughout the construction period.

7 7.3 **Invoice Submission.** Owner shall submit timely invoices to County's PWP, in  
8 arrears, for expenditures incurred, rendered, completed, and paid by emailing such invoices,  
9 proof of payment, and supporting documentation to:

10 ComDev@fresnocountyca.gov and  
11 the analyst assigned to the Project

12 7.4 **Payments.** All requests for disbursements will be processed by County as a check  
13 or direct deposit, as determined by the County and processed by the County's ACTTC. Use of  
14 direct deposit for payments requires at least one prior payment made by paper check and  
15 additional Owner's paperwork submitted to and accepted by the ACTTC. Payments must be  
16 remitted to an address identical to the one on the Owner's tax documents (i.e. W9 / CA 590).

17 7.5 **Payment Timing.** Payments by County's PWP shall be in arrears and authorized by  
18 County's PWP for payment within forty-five (45) days following the satisfactory receipt,  
19 verification, and approval of Owner's correct and proper invoices and all necessary corollary  
20 reports (e.g. labor compliance, proof of payment).

21 7.6 **Payments Subject to Auditor Review.** County's PWP cannot impact business  
22 processes put in place by the County's ACTTC. The County may extend the 45-day payment  
23 timeframe to conduct any audits or heightened scrutiny deemed necessary by the County's  
24 Auditor/Controller. Historically, the initial check to a Limited Partnership has been delayed by  
25 approximately 10 business days beyond the expected timeframe for a subsequent payment.  
26 Delays by the Auditor may also occur if there is a delay between payments of six or more  
27 months.

28 7.7 **Final Claims.** All final claims for funding shall be submitted by Owner within one

1 hundred eighty (180) days following the issuance of the Certificate of Occupancy (CoO) or the  
2 earlier termination date of this Agreement. At the discretion of County's PWP Director or his/her  
3 designee, County's PWP may deny payment of any invoice received more than one hundred  
4 eighty (180) days following the issuance of the CoO or the earlier termination date of this  
5 Agreement.

6 7.8 **Cost Certification Requirement.** Prior to closeout and the final release of retention,  
7 the Owner and the General Contractor shall jointly execute and submit a Cost Certification and  
8 Budget Reconciliation Form in accordance with the requirements and specifications detailed in  
9 Exhibit B of this Agreement.

10 7.9 **Retention Payment Requirements.** The timeliness limit on final claims for eligible  
11 expenses does not include County's payment of retention, as the initial request for  
12 reimbursement already included a request for the retained amount. A payout of final retention  
13 must be requested by the Owner and received by the County prior to closeout of the Project in  
14 the Federal IDIS database; however, retention payout may not be requested until the Owner  
15 has provided a complete and correct Closeout Workbook to the County, as detailed in Exhibit B.

16 7.10 **Use of Contingency Funds.** Consistent with the County's role as a provider of gap  
17 financing, Owner shall fully exhaust all project contingency funds available through other  
18 funding streams prior to requesting disbursement from the Owner's County-provided  
19 contingency budget line item, if any.

#### 20 **Article 8 Fees Payable to County by Owner**

21 8.1 **Annual Monitoring Fees.** The Owner hereby agrees to reimburse and pay to  
22 County the County's actual costs incurred in having County's staff perform compliance  
23 monitoring activities for the Project, including but not limited to staff time and mileage for  
24 monitoring responsibilities, Project oversight, and physical inspections.

25 8.2 **Attorney's Fees.** The Owner hereby agrees to reimburse and pay to County the  
26 County's actual costs incurred in having County's legal counsel review revisions, requested by  
27 the Owner or necessitated by an action attributable to the Owner, to this Agreement, the Loan  
28 documents, security documents, and other documents related to the financing of the Project or

1 amendments to the project, up to a maximum of Ten Thousand Dollars (\$10,000). If any legal or  
2 administrative action is commenced to interpret or to enforce the terms of this Agreement, the  
3 County shall be entitled to recover its costs and all reasonable attorney's fees and costs incurred  
4 in such action, with no specified maximum.

5 **8.3 Basis for Fees.** The County's actual fees shall be determined by identifying the actual  
6 time spent and mileage driven by the County's staff on this specific Agreement's Project activities  
7 using the County's Master Schedule of Fees, Charges, and Recovered Costs that is current at  
8 the time the costs are incurred. Monitoring Fees are capped at Three Thousand Dollars  
9 (\$3,000.00) for the initial year of operation. The monitoring cap increases by a compounding 3%  
10 annually, i.e. a cap of \$5,418.33 in year 21.

11 **8.4 Fee Inclusion in Underwriting Process.** The fees described in this section were  
12 included and reviewed by the County during the underwriting process.

13 **8.5 Fees Collected by County Are Applicable Credits.** In accordance with [24 CFR](#)  
14 [92.214\(b\)\(2\)](#), all fees charged and collected by County under the provisions of this section shall  
15 be treated as applicable credits under [2 CFR 200.406](#). This means that if these fees are collected  
16 by the County, they are not classified or received as HOME Program Income; instead, the County  
17 shall defray the cost of monitoring the County-assisted units by the amount received and shall  
18 only charge to the Federal grant any unpaid balance of monitoring costs.

19 **8.6 Fee Collection Timeframes & Method of Fee Notification.** County shall not pursue  
20 the collection of any fees from the Owner if the expenses were not invoiced or communicated in  
21 writing to Owner within 150 days of the date they were incurred. The 150-day timeframe is  
22 necessary to ensure County's timekeeping and internal accounting activities can generate  
23 accurate amounts. Communication via email with a read receipt to representatives of Owner shall  
24 be sufficient communication and notification to Owner of the fees.

25 **8.7 Deferral of Fee Collection for Negative Net Cash Flow.** Fees for the current year of  
26 monitoring shall be deferred if the prior year's audited financial statements for the Project  
27 demonstrate negative Net Cash Flow (Gross Revenue minus Allowable Operating Expenses and  
28 Senior Debt Service Only, specifically excluding partner distributions, IOI bonuses, or deferred

1 developer fees). Any deferred monitoring fees shall accrue without interest and shall become  
2 payable in full from the first available Surplus Cash Flow in subsequent project years, prior to any  
3 distributions to partners or Owners; or upon the sale, refinancing, or termination of this Agreement,  
4 whichever occurs first. Fees may be deferred for up to four (4) consecutive years. Continuous  
5 negative cash flow beyond four years shall trigger an asset management review and a mandatory  
6 restructuring plan for the Property.

7       **8.8 Payment of Fees.** Owner shall submit to County payment for invoiced County  
8 Attorney's Fees within 30 days. Owner shall submit to County payment for invoiced annual  
9 monitoring fees within 90 days. Payment shall be issued via check made payable to: County of  
10 Fresno, with "Selma Heritage Monitoring Fee, Not HOME PI, Defray HOME Admin for PWP  
11 Community Development" on the memo line or otherwise included with payment or affixed to the  
12 check.

**Article 9 Loan Repayment Schedule**

**County Loan Repayment Schedule**

<b>Loan Amount</b>	<b>\$2,000,000.00</b>	<b>Final Payment Due</b>	<b>No later than March 31, 2083</b>
<b>Annual Interest</b>	<b>3% simple during term, 0% during construction</b>	<b>Number of Payments</b>	<b>55</b>
<b>Loan Period</b>	<b>55 years</b>	<b>Yearly Payment</b>	<b>Residual Receipts (50%)</b>
<b>Repayment Start Date</b>	<b>3/31/2028</b>	<b>Total Interest</b>	<b>\$3,300,000.00</b>
		<b>Total Cost of Loan</b>	<b>\$5,300,000.00</b>

\*\*\* = 50% of Residual Receipts for prior calendar tax year, if \$0, then payment deferred until end of the loan term.

Annual Payment No.	Payment Date	Year	Beginning Balance	Payment Owed	Payment Received	Interest @ 3% Simple During Term	Example Ending Balance (if Payment Due Were \$0)
n/a	Loan is Capitalized in 2026-2027		\$ 2,000,000.00	\$ -	n/a	((0% during construction))	\$ 2,000,000.00
1	31-Mar	2028	\$ 2,000,000.00	***	TBD	\$ 60,000.00	\$ 2,060,000.00
2	31-Mar	2029	\$ 2,060,000.00	***	TBD	\$ 60,000.00	\$ 2,120,000.00
3	31-Mar	2030	\$ 2,120,000.00	***	TBD	\$ 60,000.00	\$ 2,180,000.00
4	31-Mar	2031	\$ 2,180,000.00	***	TBD	\$ 60,000.00	\$ 2,240,000.00
5	31-Mar	2032	\$ 2,240,000.00	***	TBD	\$ 60,000.00	\$ 2,300,000.00
6	31-Mar	2033	\$ 2,300,000.00	***	TBD	\$ 60,000.00	\$ 2,360,000.00
7	31-Mar	2034	\$ 2,360,000.00	***	TBD	\$ 60,000.00	\$ 2,420,000.00
8	31-Mar	2035	\$ 2,420,000.00	***	TBD	\$ 60,000.00	\$ 2,480,000.00
9	31-Mar	2036	\$ 2,480,000.00	***	TBD	\$ 60,000.00	\$ 2,540,000.00
10	31-Mar	2037	\$ 2,540,000.00	***	TBD	\$ 60,000.00	\$ 2,600,000.00
11	31-Mar	2038	\$ 2,600,000.00	***	TBD	\$ 60,000.00	\$ 2,660,000.00
12	31-Mar	2039	\$ 2,660,000.00	***	TBD	\$ 60,000.00	\$ 2,720,000.00
13	31-Mar	2040	\$ 2,720,000.00	***	TBD	\$ 60,000.00	\$ 2,780,000.00
14	31-Mar	2041	\$ 2,780,000.00	***	TBD	\$ 60,000.00	\$ 2,840,000.00
15	31-Mar	2042	\$ 2,840,000.00	***	TBD	\$ 60,000.00	\$ 2,900,000.00
16	31-Mar	2043	\$ 2,900,000.00	***	TBD	\$ 60,000.00	\$ 2,960,000.00
17	31-Mar	2044	\$ 2,960,000.00	***	TBD	\$ 60,000.00	\$ 3,020,000.00
18	31-Mar	2045	\$ 3,020,000.00	***	TBD	\$ 60,000.00	\$ 3,080,000.00
19	31-Mar	2046	\$ 3,080,000.00	***	TBD	\$ 60,000.00	\$ 3,140,000.00
20	31-Mar	2047	\$ 3,140,000.00	***	TBD	\$ 60,000.00	\$ 3,200,000.00
21	31-Mar	2048	\$ 3,200,000.00	***	TBD	\$ 60,000.00	\$ 3,260,000.00
22	31-Mar	2049	\$ 3,260,000.00	***	TBD	\$ 60,000.00	\$ 3,320,000.00
23	31-Mar	2050	\$ 3,320,000.00	***	TBD	\$ 60,000.00	\$ 3,380,000.00
24	31-Mar	2051	\$ 3,380,000.00	***	TBD	\$ 60,000.00	\$ 3,440,000.00
25	31-Mar	2052	\$ 3,440,000.00	***	TBD	\$ 60,000.00	\$ 3,500,000.00
26	31-Mar	2053	\$ 3,500,000.00	***	TBD	\$ 60,000.00	\$ 3,560,000.00
27	31-Mar	2054	\$ 3,560,000.00	***	TBD	\$ 60,000.00	\$ 3,620,000.00
28	31-Mar	2055	\$ 3,620,000.00	***	TBD	\$ 60,000.00	\$ 3,680,000.00
29	31-Mar	2056	\$ 3,680,000.00	***	TBD	\$ 60,000.00	\$ 3,740,000.00
30	31-Mar	2057	\$ 3,740,000.00	***	TBD	\$ 60,000.00	\$ 3,800,000.00

Annual Payment No.	Payment Date	Year	Beginning Balance	Payment Owed	Payment Received	Interest @ 3% Simple During Term	Example Ending Balance (if Payment Due Were \$0)
31	31-Mar	2058	\$ 3,800,000.00	***	TBD	\$ 60,000.00	\$ 3,860,000.00
32	31-Mar	2059	\$ 3,860,000.00	***	TBD	\$ 60,000.00	\$ 3,920,000.00
33	31-Mar	2060	\$ 3,920,000.00	***	TBD	\$ 60,000.00	\$ 3,980,000.00
34	31-Mar	2061	\$ 3,980,000.00	***	TBD	\$ 60,000.00	\$ 4,040,000.00
35	31-Mar	2062	\$ 4,040,000.00	***	TBD	\$ 60,000.00	\$ 4,100,000.00
36	31-Mar	2063	\$ 4,100,000.00	***	TBD	\$ 60,000.00	\$ 4,160,000.00
37	31-Mar	2064	\$ 4,160,000.00	***	TBD	\$ 60,000.00	\$ 4,220,000.00
38	31-Mar	2065	\$ 4,220,000.00	***	TBD	\$ 60,000.00	\$ 4,280,000.00
39	31-Mar	2066	\$ 4,280,000.00	***	TBD	\$ 60,000.00	\$ 4,340,000.00
40	31-Mar	2067	\$ 4,340,000.00	***	TBD	\$ 60,000.00	\$ 4,400,000.00
41	31-Mar	2068	\$ 4,400,000.00	***	TBD	\$ 60,000.00	\$ 4,460,000.00
42	31-Mar	2069	\$ 4,460,000.00	***	TBD	\$ 60,000.00	\$ 4,520,000.00
43	31-Mar	2070	\$ 4,520,000.00	***	TBD	\$ 60,000.00	\$ 4,580,000.00
44	31-Mar	2071	\$ 4,580,000.00	***	TBD	\$ 60,000.00	\$ 4,640,000.00
45	31-Mar	2072	\$ 4,640,000.00	***	TBD	\$ 60,000.00	\$ 4,700,000.00
46	31-Mar	2073	\$ 4,700,000.00	***	TBD	\$ 60,000.00	\$ 4,760,000.00
47	31-Mar	2074	\$ 4,760,000.00	***	TBD	\$ 60,000.00	\$ 4,820,000.00
48	31-Mar	2075	\$ 4,820,000.00	***	TBD	\$ 60,000.00	\$ 4,880,000.00
49	31-Mar	2076	\$ 4,880,000.00	***	TBD	\$ 60,000.00	\$ 4,940,000.00
50	31-Mar	2077	\$ 4,940,000.00	***	TBD	\$ 60,000.00	\$ 5,000,000.00
51	31-Mar	2078	\$ 5,000,000.00	***	TBD	\$ 60,000.00	\$ 5,060,000.00
52	31-Mar	2079	\$ 5,060,000.00	***	TBD	\$ 60,000.00	\$ 5,120,000.00
53	31-Mar	2080	\$ 5,120,000.00	***	TBD	\$ 60,000.00	\$ 5,180,000.00
54	31-Mar	2081	\$ 5,180,000.00	***	TBD	\$ 60,000.00	\$ 5,240,000.00
55	31-Mar	2082	\$ 5,240,000.00	***	TBD	\$ 60,000.00	\$ 5,300,000.00
Final	31-Mar	2083	\$ 5,300,000.00	Outstanding Balance of Principal, Accrued Interest, Any Fees Accrued, etc.		\$ -	\$ -

**Article 10 Grant of Funds**

10.1 **Grant.** At the time of execution, no funds are granted through this Agreement.

**Article 11 Loan of Funds**

11.1 **Loan.** At the time of execution, all funding provided by the County to the Owner through this Agreement, as specified in Article 1, titled "Maximum Funding & Loan Amount" above, are being provided as a loan, the terms of which are set forth below.

Project Name:	Selma Heritage (formerly known as Selma Elderly)
Owner:	Selma Elderly L.P.
CHDO Sponsor & Managing General Partner:	Selma Elderly LLC

Sole Member of MGP:	Self-Help Enterprises
Project Type:	Non-Substantial Rehabilitation and Ongoing Operation of Affordable Multifamily Rental Housing for a Minimum of 15 Years Following Closeout of the Project in IDIS
Project Address:	2745 Wright Street, Selma, CA 93662
County Funding Amount:	\$2 million and no/100
Funding Source:	Federal HOME funds subject to 24 CFR Part 92 and all applicable referenced regulations and requirements contained therein and any Federally-issued guidance pertinent thereto
County-Administered Units:	11 Floating Low HOME Rent Units @ or Below 50% AMI

### Article 12 Loan Documents

12.1 **Promissory Note.** The County will prepare a Promissory Note (“Note”) for execution by the Borrower in a form and content acceptable to the County, in the County’s sole discretion. The Note shall set forth the terms and conditions and plan for repayment of the maximum compensation payable under this Agreement. The Note and related Loan Documents may include provisions for default interest, late fees, or contractually defined liquidated damages specifically tied to material defaults, including but not limited to unauthorized transfers of ownership or a failure to maintain the Period of Affordability. Any such liquidated damages shall be explicitly calculated and capped within the executed Note or regulatory agreements. In addition to the Note, the Loan funds shall be secured with a Deed of Trust recorded against the Property, and other required security instruments, as described more fully below.

12.2 **Deed of Trust.** County shall record against the Property a Deed of Trust for the County’s Loan in a form and content acceptable to the County. Said Deed of Trust will be recorded for the purpose of securing repayment of the funds, interest, and fees payable under this Agreement, and will name the County of Fresno, a political subdivision of the State of California, as beneficiary.

(A) **Lien Positions During Construction and Permanent Financing.** Said Deed of Trust will be in the third lien position during construction and the second position after construction (unless the County provides written approval for a lesser lien position), until the Note is fully repaid.

1 (B) **Requirements at Recording.** At the time of recordation of the Deed of Trust, the  
2 Borrower will have good and marketable fee title to the Project, and there will exist  
3 thereon or with respect thereto no mortgage, lien, pledge, or other encumbrance of any  
4 character whatsoever, other than those liens approved in writing by the County, liens  
5 securing any of the expected financing, or liens for current real property taxes and  
6 assessments not yet due and payable.

7 **12.3 Federal HOME Regulatory Agreement and Declaration of Restrictive**

8 **Covenants.** The County will record a HOME Regulatory Agreement and Declaration of  
9 Restrictive Covenants ("Regulatory Agreement") signed by the Borrower in a form and content  
10 acceptable to the County. Said Regulatory Agreement will impose the requirements of the  
11 HOME Investment Partnerships Program, as set forth in the Code of Federal Regulations (24  
12 CFR Parts 91 and 92) for the eleven (11) HOME-assisted units.

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**Project Budget of County-Administered Funding**

[to be updated later]

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**Project Budget Detail**

[to be updated later]

## **Exhibit D - Self-Dealing Transactions & Identity of Interest Disclosure Forms**

### **Article 1 Self-Dealing Transactions**

1.1 **Introduction.** In order to conduct business with the County of Fresno (“County”), members of a contractor’s board of directors (“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 as: “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 used for purposes of completing this disclosure form.

#### 1.2 **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) The form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

1.3 Self-Dealing Transactions Disclosure Form (D1).

<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>	

## Article 2 Identity of Interest

2.1 **Introduction.** Pursuant to the requirements at [24 CFR 92.250\(b\)](#), further detailed in HUD's [CPD Notice 2015-11](#), titled *Requirements for the Development and Implementation of HOME Underwriting and Subsidy Layering Guidelines*, "Some developers may also own construction companies and if this company is used for the HOME project, the construction firm may earn reasonable profit and overhead as a component of the development budget. If the rental property Owner also operates a property management company contracted to service the property, the developer may earn fees from those activities. These and other IOI contracts require additional scrutiny by the [County] to make sure that they are clearly disclosed, priced at arms-length rates, and subject to cancellation if the IOI contractor does not provide acceptable service."

2.2 **Instructions – Forms to Use.** The Owner will complete and submit to the County either "IOI DISCLOSURE FORM D2: CERTIFICATION OF NO IOI" or, "IOI DISCLOSURE FORM D3: TO DISCLOSE AN EXISTING OR PLANNED IOI," as appropriate. If the Owner signs IOI Disclosure Form D3, then its IOI entities (e.g. contractor, subcontractor, material supplier, services provider, equipment lessor) must, prior to receipt of any payment, complete and submit to the County "IOI DISCLOSURE FORM D4: TO DISCLOSE AN EXISTING OR PLANNED IOI."

2.3 **Instructions – If an Identity of Interest Exists.** If and when an identity of interest exists, the Contractor, Subcontractor, Material Supplier, Service Provider, Equipment Lessor, or equivalent:

(A) Shall, prior to receipt of any payment, provide the Owner and the County a written assertion that it has an accounting system suitably designed to provide for a line item basis comparison of the actual cost with the estimated cost.

(B) Shall, prior to receipt of any payment, provide the Owner and the County with a detailed breakdown of the estimated cost amount for evaluation, using "IOI DISCLOSURE FORM D5: ESTIMATE AND CERTIFICATION OF ACTUAL COST."

(C) Shall deduct any discounts or rebates from invoices provided to the Owner for

payment. Any discounts or rebates received on invoices already paid by the Owner will be refunded to the Owner or subtracted from any payment retainage.

(D) Shall not be entitled to receive payment for general overhead, profit, or general requirements, respectively, in excess of the amounts represented on the estimate of cost breakdown in accordance with clause (B) of this Section.

(E) Shall, prior to receipt of final payment, provide the Owner and the County with a detailed breakdown of the actual cost compared to the estimated cost, using "IOI DISCLOSURE FORM D5: ESTIMATE AND CERTIFICATION OF ACTUAL COST." The actual cost shall be audited by a Certified Public Accountant who will provide an opinion concerning whether the actual construction costs present fairly the costs of construction in conformity with eligible construction costs as prescribed in any applicable State or Federal regulations.

(F) Shall, prior to receipt of final payment, provide the Owner and the County with documentation on all "IOI DISCLOSURE FORM D5: ESTIMATE AND CERTIFICATION OF ACTUAL COST" actual cost line items that are a minimum of fifteen percent (15%) higher or lower than the estimated costs. The documentation shall provide justification for the deviations.

(G) If and when an identity of interest exists between the Owner and Contractor, the Contractor is entitled to receive a builder's fee (general overhead and profit) only when the highest subcontract sum is no more than fifty percent (50%) of the contract sum, and the total of the highest three subcontract sums is no more than seventy-five percent (75%) of the contract sum. Any payments made to the Contractor for a builder's fee to which contractor is not entitled will be refunded to the Owner or subtracted from any payment retainage.

2.4 IOI Disclosure Form D2: Certification of No IOI.

<b>IOI DISCLOSURE FORM D2: CERTIFICATION OF NO IOI</b>			
<b>SECTION A1: TO BE COMPLETED BY PROJECT Owner AND MANAGING GENERAL PARTNER (INCLUDING THE MGP's MEMBER)</b>			
<b>Owner/MGP Name:</b>		<b>Project Name:</b>	
<b>IDENTITY OF INTEREST (IOI) STATEMENT</b>			
<p>An Identity of Interest (IOI) occurs when any of the following are true:</p> <ol style="list-style-type: none"> <li>(1) When there is any financial interest between the Owner (or MGP, or member of the MGP) and the supplying entity.</li> <li>(2) When one or more of the officers, directors, stockholders or partners of the Owner or MGP is also an officer, director, stockholder, or partner of the supplying entity.</li> <li>(3) When any officer, director, stockholder, or partner of the Owner or MGP has ten percent (10%) or more financial interest in the supplying entity.</li> <li>(4) When the supplying entity advances any funds to the Owner and/or MGP.</li> <li>(5) When the supplying entity provides or pays on behalf of the Owner and/or MGP the cost of any materials, real property, or services in connection with obligations under this Agreement, any management plan/agreement, or any construction plan/agreement.</li> <li>(6) When the supplying entity takes stock or any interest in the Owner and/or MGP as part of the consideration to be paid them.</li> <li>(7) When there exists or comes into being any side deals, agreements, contracts, or understandings entered into thereby altering, amending, or cancelling any of the management plan / management agreement documents, organization documents, or other legal documents pertaining to the property, except as approved by the County.</li> </ol>			
<p>I, the undersigned, hereby certify that I have read the identity of interest statement above and understand what the County of Fresno, (County) has determined constitutes an identity of interest. I further certify that <u>NO</u> identity of interest relationship exists, nor is planned.</p> <p>I hereby certify, under penalty of law*, and with knowledge that this information may be verified, that the information submitted is true and accurate. I further understand that failure to disclose any identity of interest to the Agency will also subject me to administrative remedies available to the County, including those identified under Breach of Agreement.</p> <p>I further understand and agree that I will complete an Identity of Interest Form B if at any time my circumstances change, and an identity of interest relationship is formed.</p>			
<b>Owner/MGP Signature:</b>		<b>Date</b>	

2.5 IOI Disclosure Form D3: To Disclose an Existing or Planned IOI.

<b>IOI DISCLOSURE FORM D3: TO DISCLOSE AN EXISTING OR PLANNED IOI</b>			
<b>SECTION B1: TO BE COMPLETED BY PROJECT Owner AND MANAGING GENERAL PARTNER (INCLUDING THE MGP's MEMBER)</b>			
<b>Owner/MGP Name:</b>		<b>Project Name:</b>	
<b>IDENTITY OF INTEREST (IOI) STATEMENT</b>			
<p>An Identity of Interest (IOI) occurs when any of the following are true:</p> <ol style="list-style-type: none"> <li>(1) When there is any financial interest between the Owner (or MGP, or member of the MGP) and the supplying entity.</li> <li>(2) When one or more of the officers, directors, stockholders or partners of the Owner or MGP is also an officer, director, stockholder, or partner of the supplying entity.</li> <li>(3) When any officer, director, stockholder, or partner of the Owner or MGP has ten percent (10%) or more financial interest in the supplying entity.</li> <li>(4) When the supplying entity advances any funds to the Owner and/or MGP.</li> <li>(5) When the supplying entity provides or pays on behalf of the Owner and/or MGP the cost of any materials, real property, or services in connection with obligations under this Agreement, any management plan/agreement, or any construction plan/agreement.</li> <li>(6) When the supplying entity takes stock or any interest in the Owner and/or MGP as part of the consideration to be paid them.</li> <li>(7) When there exists or comes into being any side deals, agreements, contracts, or understandings entered into thereby altering, amending, or cancelling any of the management plan / management agreement documents, organization documents, or other legal documents pertaining to the property, except as approved by the County.</li> </ol>			
<p>I, the undersigned, hereby certify that I have read the identity of interest statement above and understand what the County of Fresno, (County) has determined constitutes an identity of interest. I further certify that an identity of interest exists and hereby disclose on the following page(s) of this qualification form those entities with which I HAVE (or PLAN TO HAVE) an identity of interest relationship.</p> <p>I hereby certify, under penalty of law*, and with knowledge that this information may be verified, that the information submitted is true and accurate. I further understand that failure to disclose any identity of interest to the Agency will also subject me to administrative remedies available to the County, including those identified under Breach of Agreement.</p> <p>I further understand and agree that I will update this Form if my circumstances change, and I agree to provide a new IOI Form B1 at any time requested by the County.</p> <p>This Form shall be in effect for a period of three years, beginning on the date noted below.</p>			
<b>Owner/MGP Signature:</b>		<b>Date</b>	

2.6 IOI Disclosure Form D4: To Disclose an Existing or Planned IOI.

<b>IOI DISCLOSURE FORM D4: TO DISCLOSE AN EXISTING OR PLANNED IOI</b>	
<b>SECTION B2: TO BE COMPLETED BY THE PRINCIPAL FOR EACH BUSINESS OR TRADE WITH AN IDENTITY OF INTEREST (IOI) RELATIONSHIP WITH THE PROJECT Owner AND/OR MANAGING GENERAL PARTNER (INCLUDING THE MGP's MEMBER). USE ADDITIONAL COPIES OF FORM B2 FOR EACH IOI ENTITY.</b>	
<b>IOI Entity Name:</b>	<b>Project Name:</b>
<b>Address:</b>	<b>Years in Business:</b>
<b>Telephone #:</b>	<b>Taxpayer ID #:</b>
<b>Type of Entity:</b> Contractor <input type="checkbox"/> Subcontractor <input type="checkbox"/> Architect <input type="checkbox"/> Attorney <input type="checkbox"/> Property Mgt <input type="checkbox"/>	
<b>Supplier of:</b> Material <input type="checkbox"/> Labor <input type="checkbox"/> Both <input type="checkbox"/> Service <input type="checkbox"/>	
<b>Describe IOI Entity's Relationship to Owner/MGP:</b>	
<b># of Full-Time Employees:</b>	<b>Part-Time:</b>
<b>Principal of IOI Entity:</b>	<b>SSN:</b>
<b>Training / License(s) Held:</b>	
<b>Percent of Total Annual Compensation from Company</b>	<b>Years in Business:</b>
<b>Disclose Any Criminal Convictions or Debarment from Local, State, or Federal Government Programs:</b>	
<b>Disclose Any Current or Pending Legal Actions Against the Company or Any of Its Principals:</b>	
<b>Do any of the IOI companies function as "pass-throughs," i.e., does the IOI company purchase goods or services from another party and pass those goods or services through to the project?      Yes <input type="checkbox"/>      No <input type="checkbox"/></b>	
<b>If "Yes," for each pass-through arrangement, respond to the statements below, using additional sheets as necessary):</b>	
<ul style="list-style-type: none"> <li>• Name the IOI company involved.</li> <li>• Explain how the IOI compensation is determined.</li> <li>• Explain why it is more advantageous for the project to use the pass-through arrangement than to purchase directly from the ultimate supplier.</li> </ul>	
<b>Attach fee schedules for all IOI companies disclosed.    <input type="checkbox"/></b>	

Insert IOI passthrough explanations, if any, and fee schedules for IOI companies before this page.

I hereby certify, under penalty of law\*, and with knowledge that this information may be verified, that the information submitted is true and accurate. I further understand that failure to disclose any identity of interest to the Agency will also subject me to administrative remedies available to the County, including those identified under Breach of Agreement.

IOI Entity Principal  
Signature:

Date:

2.7 **IOI Disclosure Form D5. Estimate and Certification of Actual Cost.** The Owner and its General Contractor shall submit a signed Cost Certification and Budget Reconciliation Form provided by the County in accordance with Exhibit C, titled “Funding & Funds Payable to the County.”

1 **Exhibit E - Insurance Requirements**

2

Project Name:	Selma Heritage (formerly known as Selma Elderly)
Owner:	Selma Elderly L.P.
CHDO Sponsor & Managing General Partner (MGP):	Selma Elderly LLC
Sole Member of MGP:	Self-Help Enterprises
Project Type:	Non-Substantial Rehabilitation and Ongoing Operation of Affordable Multifamily Rental Housing for a Minimum of 15 Years Following Closeout of the Project in IDIS
Project Address:	2745 Wright Street, Selma, CA 93662

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9 *Table 13 - Insurance Project Info*

10 **Article 1 Required Insurance Policies for Owner / Managing General Partners**

11 1.1 **Introduction.** Without limiting the County’s right to obtain indemnification from the  
12 Owner or any third parties, Owner/MGP, at its sole expense, shall maintain in full force and  
13 effect, at least, the following insurance policies throughout the full term of this Agreement,  
14 throughout the Period of Affordability, and until all financial obligations, loans, and notes owed to  
15 the County regarding the Property are repaid and satisfied in full; whichever occurs last. The  
16 County reserves the right to review and adjust the required insurance provisions, based upon  
17 County’s determination of changes in risk exposures. In the event the Owner’s Limited  
18 Partnership Agreement, which is not part of this Affordable Housing Agreement, allocates or  
19 delegates operational risk and liability to a Managing General Partner, General Partner, Co-  
20 General Partner, or affiliate (“MGP”) all insurance requirements and terms of this section shall  
21 be equally binding upon such entity.

22 1.2 **All-Risk Property Insurance.** Property Insurance written on an All-Risk basis,  
23 except earthquake and flood, with coverage for the full replacement value of all buildings and  
24 improvements located on the Property as described in Exhibit B to this Agreement. This policy  
25 must include Ordinance or Law Coverage (Coverages A, B, and C) with a limit of not less than  
26 10% of the building’s full replacement cost to cover requirements of bringing the rebuilt property  
27 up to modern code. The policy must contain an Agreed Amount (Agreed Value) Endorsement  
28 and must not contain a coinsurance penalty provision. The County must be added as a Lender

1 Loss Payable. The Owner/MGP's failure to procure or maintain such insurance shall be  
2 considered a material breach of this Agreement.

3 1.3 **Replacement Cost Valuation.** Property insurance shall be written on a Full  
4 Replacement Cost basis. An initial valuation must be performed within 30 days of completion of  
5 construction as evidenced by the Certificate of Occupancy. The valuation of the buildings and  
6 improvements shall be reviewed and adjusted for inflation and increased construction costs no  
7 less than annually, utilizing a recognized construction cost index acceptable to the County (such  
8 as Marshall & Swift). Additionally, Owner shall provide the County with an updated, independent  
9 replacement cost appraisal or broker-validated valuation no less than every three (3) years from  
10 the date of this Agreement, or upon the County's reasonable determination that regional  
11 construction cost increases have rendered current limits inadequate.

12 1.4 **Commercial General Liability Insurance.** Commercial general liability insurance  
13 with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and an annual  
14 aggregate of Four Million Dollars (\$4,000,000). This policy must be issued on a per occurrence  
15 basis and applied separately to work performed under this Agreement. Coverage must include  
16 products, completed operations, property damage, bodily injury, personal injury, advertising  
17 injury, and contractual liability. The policy must name the County of Fresno, its officers, agents,  
18 employees, and volunteers, individually and collectively, as additional insureds, but only insofar  
19 as the operations under this Agreement are concerned. Such coverage for additional insureds  
20 will apply as primary insurance and any other insurance, or self-insurance, maintained by the  
21 County is excess only and not contributing with insurance provided under the Owner/MGP's  
22 policy.

23 1.5 **Automobile Liability Insurance.** Automobile liability insurance with limits of not less  
24 than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for property damages.  
25 Coverage must include any auto used in connection with this Agreement.

26 1.6 **Workers Compensation Insurance.** Workers compensation insurance as required  
27 by the laws of the State of California with statutory limits.

28 1.7 **Employer's Liability Insurance.** Employer's liability insurance with limits of not less

1 than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for disease.

2       1.8     **Crime Insurance.** Crime insurance with limits of not less than \$3,000,000 per  
3 occurrence. Such coverage must protect against all loss of money, securities, or other valuable  
4 property entrusted by County to the Owner/MGP, and apply to Owner/MGP's directors, officers,  
5 agents, affiliates, and employees who regularly handle or have responsibility for such money,  
6 securities or property. The County must be named as an Additional Insured and Loss Payee as  
7 its interests may appear. This insurance must include third party fidelity coverage, include  
8 coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and must  
9 not contain a requirement for an arrest and/or conviction.

10       1.9     **Owners and Contractors Protective Liability Insurance.** Owners and Contractors  
11 Protective Liability insurance with limits of not less than \$3,000,000 per occurrence or claim.  
12 The policy must cover all of the Owner's/MGP's obligations under this Agreement. This policy  
13 may be purchased by another entity, such as the Project's General Contractor, but must name  
14 the County of Fresno as the sole Named Insured.

## 15                                   **Article 2 Required Construction Insurance Policies**

16       2.1     **Introduction.** Without limiting the County's right to obtain indemnification from the  
17 Borrower or any third parties, Owner/MGP shall require its construction contractors and  
18 subcontractors to maintain, at the respective party's sole expense, in full force and effect the  
19 following insurance policies and requirements until after a Notice of Completion has been  
20 recorded on the property and all construction-related expenses have been paid or as specified  
21 in the "Claims-Made Policies" section herein.

22       2.2     **Commercial General Liability Insurance.** Commercial general liability insurance  
23 with limits of not less than Five Million Dollars (\$5,000,000) per occurrence and an annual  
24 aggregate of Ten Million Dollars (\$10,000,000). This policy must be issued on a per occurrence  
25 basis and applied separately to work performed under this Agreement. Coverage must include  
26 products, completed operations, property damage, bodily injury, personal injury, advertising  
27 injury, and contractual liability. The policy must name the County of Fresno, its officers, agents,  
28 employees, and volunteers, individually and collectively, as additional insureds, but only insofar

1 as the operations under this Agreement are concerned. Such coverage for additional insureds  
2 will apply as primary insurance and any other insurance, or self-insurance, maintained by the  
3 County is excess only and not contributing with insurance provided under the contractor's or  
4 subcontractor's policy.

5       **2.3 Automobile Liability Insurance.** Automobile liability insurance with limits of not less  
6 than Five Million Dollars (\$5,000,000) per occurrence for bodily injury and for property damages.  
7 Coverage must include any auto used in connection with this Agreement.

8       **2.4 Workers Compensation Insurance.** Workers compensation insurance as required  
9 by the laws of the State of California with statutory limits.

10       **2.5 Employer's Liability Insurance.** Employer's liability insurance with limits of not less  
11 than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for disease.

12       **2.6 Builder's Risk.** Builder's Risk (Course of Construction) insurance utilizing an "All  
13 Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and  
14 no coinsurance penalty provisions. Such coverage shall name the County as a loss payee as  
15 their interest may appear.

16       **2.7 Professional Liability.** Professional liability (if Design/Build), with limits of not less  
17 than \$2,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

18       **2.8 Surety Bonds.** Performance and Payment Bonds including: Bid Bond, Performance  
19 Bond, Payment Bond, and Maintenance Bond. The Payment Bond and the Performance Bond  
20 shall be in a sum equal to the construction contract price prior to the execution of all loan and  
21 related documents. If the Performance Bond provides for a one-year warranty a separate  
22 Maintenance Bond is not required. If the warranty period specified in the contract is for longer  
23 than one year a Maintenance Bond equal to 10% of the contract price is required. Bonds shall  
24 be duly executed by a responsible corporate surety, authorized to issue such bonds in the State  
25 of California and secured through an authorized agent with an office in California.

### 26                   **Article 3 Required Insurance Policies for Professional Services**

27       **3.1 Introduction.** Without limiting the County's right to obtain indemnification from the  
28 Owner/MGP or any third parties, Owner/MGP shall require its professional service contractors

1 and subcontractors (including but not limited to any property management agents) to maintain,  
2 at the respective party's sole expense, in full force and effect the following insurance policies  
3 and requirements until after a Notice of Completion has been recorded on the property and all  
4 construction-related expenses have been paid or as specified in the "Claims-Made Policies"  
5 section herein if the covered activity was related to construction; or all applicable policies for the  
6 term of this Agreement of the covered activity is related to ongoing maintenance and property  
7 management.

8       **3.2 Commercial General Liability Insurance.** Commercial general liability insurance  
9 with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and an annual  
10 aggregate of Four Million Dollars (\$4,000,000). This policy must be issued on a per occurrence  
11 basis and applied separately to work performed under this Agreement. Coverage must include  
12 products, completed operations, property damage, bodily injury, advertising injury, contractual  
13 liability, and personal injury (which for property management activities must explicitly include  
14 coverage for wrongful eviction, discrimination, and invasion of privacy claims).

15       **3.3** The policy must name the County of Fresno, its officers, agents, employees, and  
16 volunteers, individually and collectively, as additional insureds, but only insofar as the  
17 operations under this Agreement are concerned. Such coverage for additional insureds will  
18 apply as primary insurance and any other insurance, or self-insurance, maintained by the  
19 County is excess only and not contributing with insurance provided under the contractor's or  
20 subcontractor's policy.

21       **3.4 Automobile Liability Insurance.** Automobile liability insurance with limits of not less  
22 than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for property damages.  
23 Coverage must include any auto used in connection with this Agreement.

24       **3.5 Workers Compensation Insurance.** Workers compensation insurance as required  
25 by the laws of the State of California with statutory limits.

26       **3.6 Employer's Liability Insurance.** Employer's liability insurance with limits of not less  
27 than One Million Dollars (\$1,000,000) per occurrence for bodily injury and for disease.

28       **3.7 Professional Liability. Errors and Omissions.** Professional liability insurance,



1 are used to meet the limits of liability required by this agreement, then said policies must be  
2 “following form” of the underlying policy coverage, terms, conditions, and provisions and must  
3 meet all of the insurance requirements stated in this Agreement, including, but not limited to, the  
4 additional insured, contractual liability & “insured contract” definition for indemnity, occurrence,  
5 indemnity and defense, Self-Insured Retentions (SIRs), and primary & non-contributory  
6 insurance requirements stated therein.

7       **4.4 Self-Insured Retentions/Deductibles.** Self-insured retentions “SIRs” and  
8 deductibles which apply to the required insurance policies must be declared to the County on a  
9 certificate of insurance. The County retains the right to require the party to (1) provide proof of  
10 ability to pay losses and related investigations, claim administration, and defense expenses  
11 within the retention, (2) reduce or eliminate such deductibles or self-insured retentions as they  
12 apply to the County, or, (3) require a bond (or other acceptable financial instrument)  
13 guaranteeing payment of all deductibles and SIRs, including all related claims investigation,  
14 administration, and defense expenses. Such bond must be executed by a corporate surety  
15 licensed to transact business in the State of California. The policy language must provide, or be  
16 endorsed to provide, that the self-insured retention may be satisfied by either the named insured  
17 or the County. Any and all deductibles and SIRs must be the sole responsibility of the party who  
18 procured such insurance and must not apply to the additional insured parties. The County may  
19 deduct from any amounts otherwise due to Owner/MGP to fund the SIR/deductible. Policies  
20 must not contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR  
21 to the County. The policy must also provide that defense costs, including the allocated loss  
22 adjustment expenses, will satisfy the SIR or deductible.

23       **4.5 Acceptability of Insurers.** All insurance policies required under this Agreement  
24 must be issued by admitted insurers licensed to do business in the State of California and  
25 possessing at all times during the term of this Agreement an A.M. Best, Inc. rating of no less  
26 than A: VII.

27       **4.6 Notice of Cancellation or Change.** For each insurance policy required under this  
28 Agreement, the party shall provide to the County, or ensure that the policy requires the insurer

1 to provide to the County, written notice of any cancellation or change in the policy as required in  
2 this paragraph. For cancellation of the policy for nonpayment of premium, the party shall, or  
3 shall cause the insurer to, provide written notice to the County not less than 10 days in advance  
4 of cancellation. For cancellation of the policy for any other reason, and for any other change to  
5 the policy, the party shall, or shall cause the insurer to, provide written notice to the County not  
6 less than 30 days in advance of cancellation or change. The County in its sole discretion may  
7 determine that the failure of the party or its insurer to timely provide a written notice required by  
8 this paragraph is a material breach of this Agreement.

9       **4.7 County's Entitlement to Greater Coverage.** If the party has or obtains insurance  
10 with broader coverage, higher limits, or both, than what is required under this Agreement, then  
11 the County requires and is entitled to the broader coverage, higher limits, or both. To that end,  
12 the Owner/MGP shall deliver, or cause its broker or producer to deliver, to the parties  
13 referenced in the "Verification of Coverage Section" herein, certificates of insurance and  
14 endorsements for all of the coverages that have such broader coverage, higher limits, or both,  
15 as required under this Agreement.

16       **4.8 Waiver of Subrogation.** To the fullest extent permitted by law, all required insurance  
17 policies shall contain a waiver of subrogation waiving the right and the insurer(s)' right to  
18 recover against the County, its officers, agents, employees, and volunteers any amounts paid  
19 under any of the insurance policies required by this Agreement. Each party is solely responsible  
20 to obtain any policy endorsement that may be necessary to accomplish that waiver, but each  
21 party's waiver of subrogation under this paragraph is effective whether or not the respective  
22 party obtains the endorsement.

23       **4.9 County's Remedy for Owner/MGP's Failure To Maintain.** If a party fails to keep in  
24 effect at all times any insurance coverage required under this Agreement, the County may, in  
25 addition to any other remedies it may have, suspend or terminate this Agreement upon the  
26 occurrence of that failure, or purchase such insurance coverage, and charge the cost of that  
27 coverage to the Owner/MGP. The County may offset such charges against any amounts owed  
28 by the County to the Owner/MPG under this Agreement.

1       4.10   **Contractors And Subcontractors.** The Owner/MGP shall require and verify that all  
2 contractors and subcontractors used by the Owner/MGP to provide services under this  
3 Agreement maintain insurance meeting the respective insurance requirements provided in this  
4 Agreement.

5       4.11   **Verification of Coverage.** Within 30 days after the Owner signs this Agreement, and  
6 prior to commencement of work, and at any time during the term of this Agreement as  
7 requested by the County's Department of Public Works and Planning, County's Risk Manager,  
8 or the County's Administrative Office, the Owner/MGP shall deliver, or cause its broker or  
9 producer to deliver, to (1) the County at 2220 Tulare St. 6th Floor, Community Development,  
10 Fresno, CA 93721, (2) ComDev@fresnoCountyca.gov, and (3) by mail or email to the person  
11 identified to receive notices under this Agreement — certificates of insurance and endorsements  
12 for all of the coverages required under this Agreement.

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# Exhibit F - HOME Funding Requirements

## Article 1 Overview

1.1 Applicability of this Exhibit F to the Project. The terms of this Exhibit F shall govern all activities associated with the Project from point of execution of this Agreement through the end of the Period of Affordability, the Federal Compliance Period, unless terminated earlier pursuant to Article 6, or unless a stricter Federal requirement applies. The County acknowledges that because this project involves rehabilitation, the property standards cannot be fully met prior to completion of rehabilitation construction; however, Owner shall ensure the property is free from or takes action to mitigate life-threatening deficiencies under NSPIRE during the construction period prior to completion.

1.2 **Assurances.** The Owner, with respect to activities carried out under this Project, shall comply and ensure compliance with all applicable laws and requirements for HOME, and all applicable requirements and assurances of the County's most recent agreement with HUD for HOME, as may be amended from time to time, attached hereto as **Attachment F1 - Federal Grant Agreement and Assurances**, and incorporated herein by reference. The Owner and its CHDO and MGP shall comply with all requirements affecting projects sponsored by a Community Housing Development Organization upon execution of this Agreement and throughout the Period of Affordability. By signing this Agreement, the Borrower acknowledges it has been made aware of and agrees to comply with all conditions of the County's Federal Grant Agreement and Assurances with HUD and the applicable Federal requirements governing the use of funds during construction and the requirements in effect upon execution and for the duration of the Period of Affordability.

1.3 **Rental Property Standards.** The Project shall meet the requirements of 24 CFR 92.251(a) and (f) relating to property standards (including but not limited to accessibility, disaster mitigation, and broadband infrastructure), and all applicable State and local housing code requirements for the duration of this Agreement, and any modifications or amendments or successor agreements thereto. Once constructed, the Project shall also maintain compliance including but not limited to HUD's National Standards for the Physical Inspection of Real Estate

1 (NSPIRE) Final Rule at 24 CFR 5.703, as may be amended from time to time, and any  
2 successor standards.

3 1.4 **Accessibility Standards.** The Project shall meet the requirements of 24 CFR 8.22  
4 relating to handicap accessibility:

5 (A) **Mobility Units.** A minimum of five percent (5%) of the total units in the Project  
6 (rounded up to the next whole unit) shall be accessible to those with mobility impairments;

7 (B) **Sensory Units.** A minimum of two percent (2%) of the total units in the Project  
8 (rounded up to the next whole unit) shall be accessible to those with auditory and/or visual  
9 impairments.

10 (C) **Total.** The total *minimum* number of accessible units shall be the whole-number  
11 sum of (A) and (B) above.

12 (D) **Distribution.** In accordance with 24 CFR 8.26, accessible units described in (A)  
13 and (B) above shall be distributed throughout the Project and across unit sizes. The  
14 Project's specific unit distribution shall be detailed in Exhibit B to this Agreement.

15 1.5 **Subcontractors.** In agreements between the Owner and its subcontractors and in  
16 agreements between the prime contractor and its subcontractors, the Owner shall ensure that  
17 the following clauses are requirements in its agreements with its subcontractors and sub-  
18 subcontractors:

- 19 a) Licenses and Permits
- 20 b) Records
- 21 c) Appropriation Dependency
- 22 d) Termination and Suspension
- 23 e) Payments
- 24 f) Compliance with Law, Rules, and Regulation
- 25 g) Monitoring
- 26 h) Performance Bond
- 27 i) Payment Bond

28 The term "subcontract" means a contract or contractual action entered into by the Owner or

1 its prime contractor for the purpose of obtaining supplies, materials, equipment, or service of  
2 any kind under the prime contract. It includes but is not limited to purchase orders, and changes  
3 and modifications to purchase orders. "Subcontractor" means any person, other than the Owner  
4 or prime contractor, who offers to furnish or furnishes any supplies, materials, equipment, or  
5 services of any kind under a prime contract or a subcontract entered into in connection with  
6 such prime contract, and includes any person who offers to furnish or furnishes general supplies  
7 to the Owner, or prime contractor, or a higher tier subcontractor.

8       1.6     **Scope of Agreement.** Owner shall remodel existing housing for the County of  
9 Fresno Community Development Division (see Exhibit B). Owner shall meet all requirements of  
10 the Scope of Work under the Agreement.

11       1.7     **Term and Period of Affordability.** The term of this Agreement shall commence on  
12 the date of full execution hereof (i.e. the last dated signature) and shall expire at the [end of the  
13 period of affordability]. The period of affordability for this Agreement shall commence from the  
14 date the project is marked as complete in the Federal IDIS database (or successor systems),  
15 and last the full number of years mandated by 24 CFR 92.252(e) based on the project type and  
16 per-unit investment dollar threshold as identified in Exhibit B to this Agreement.

17       1.8     **Tenants.** Throughout and during the period of affordability, HOME income-eligible  
18 tenant households must occupy the HOME-assisted units and all HOME program requirements  
19 must be satisfied. In accordance with 2 CFR 200.338, failure to satisfy HOME program  
20 requirements may result in remedies for noncompliance, up to and including, recapture of all  
21 HOME assistance.

22       1.9     **Locations.** Owner shall operate out of any location deemed necessary by County as  
23 provided in the Scope of Work above. The Project shall consist of the buildings, units, and  
24 locations as provided in Exhibit B to this Agreement.

25       1.10    **Hours.** Owner shall maintain such hours as necessary to meet the requirements of  
26 this Agreement.

27       1.11    **Efficient and High-Quality Operation.** Owner shall maintain an operation which is  
28 efficient and of a level of quality equal to or greater than industry standards.

1        1.12    **Products and Necessities.** Owner shall furnish all working capital, services,  
2 inventory, personnel, materials, tools, machinery, equipment, and other items necessary to  
3 perform Owner’s obligations under this Agreement.

4        1.13    **Advertising.** Owner shall not advertise its services rendered for the County of  
5 Fresno without prior written consent of the County.

6        1.14    **Licenses and Permits.** Owner shall obtain and keep at its own expense all Federal,  
7 State, and local licenses and permits required to be in its name in connection with this  
8 Agreement.

9        1.15    **Administrative Requirements.** Owner agrees to supply County with documentation  
10 concerning the Project to ensure that County is in compliance with its responsibilities regarding  
11 source documentation for all costs incurred.

12       1.16    **Records.** Owner shall comply with 24 CFR Section 92.508 regarding records that  
13 must be maintained for the Project. Owner shall maintain all Project financial records, including  
14 source documentation to support how HOME funds loaned to Owner hereunder were expended,  
15 which includes, but is not limited to, invoices, monthly budgets containing comparisons of  
16 budgeted amounts and actual expenditures, proof of payment, and other documentation as may  
17 be required by County or HUD to support the expenditures for this Project. All supporting  
18 documents shall be maintained for the longer of the Period of Affordability plus five (5) years or  
19 the Period of Loan Repayment plus five (5) years; or for such other period required by County or  
20 HUD. The records shall be made available to County, HUD, the HUD Inspector General, the  
21 Federal Office of Management and Budget (OMB), or auditors from the State of California,  
22 and/or any of their authorized representatives, who shall have access to and the right to  
23 examine any of the Project records during such period. All recordkeeping requirements set forth  
24 in this Agreement or any recordkeeping requirements mandated by HOME regulations shall  
25 survive termination of this Agreement.

26       1.17    **Monitoring.** Owner will allow on-site monitoring of the Project by County, HUD, the  
27 HUD Inspector General, OMB, or auditors from the State of California, or an agent on their  
28 behalf at any such times as they deem necessary or required, and they shall have the right, but

1 shall be under no obligation, to conduct any reasonable monitoring to determine compliance  
2 with the HOME Regulatory Agreement or this HOME Agreement, including but not limited to the  
3 right to enter the Project, to inspect the Project, to inspect the books and records kept regarding  
4 the Project, and the right to inquire and receive responses from Owner regarding the Project  
5 and its operation at any time.

6       **1.18 Compliance with Other Laws.** To the extent that other state and/or federal laws  
7 provide additional, stricter and/or more protective privacy and/or security protections to PHI or  
8 other confidential information covered under this Agreement, Owner agrees to comply with the  
9 more protective of the privacy and security standards set forth in the applicable state or federal  
10 laws to the extent such standards provide a greater degree of protection and security than  
11 HIPAA Rules or are otherwise more favorable to the individual.

12           **(A) Religious and Political Activities.** Owner is prohibited from using HOME  
13 Affordable Rental Housing Program Funds, Grant proceeds or personnel employed in  
14 the administration of the Program for sectarian or religious activities, lobbying, political  
15 patronage and/or nepotism activities. Owner further agrees that no funds provided, nor  
16 personnel employed under this Agreement, shall be in any way or to any extent engaged  
17 in the conduct of political activities in violation of Chapter 15 of Title V United States  
18 Code (Hatch Act).

19           **(B) Section 3 of the Housing and Urban Project Act of 1968.** Owner agrees to  
20 comply with the provisions of Section 3 of the Housing and Urban Project Act of 1968  
21 (12 U.S.C. §1701u) and implementing regulations contained in 24 CFR Part 75  
22 regarding economic opportunities for low and very low-income persons. Owner shall also  
23 keep records demonstrating compliance with the foregoing regulations, including without  
24 limitation the provisions of 24 CFR 92.508(a)(7)(xi).

25           **(C) Equal Employment Opportunity.** Owner agrees to comply with 41 CFR Part  
26 60, while those regulations are required.

27           **(D) Non-Discrimination.** Owner shall comply 24 CFR 92.350, regarding non-  
28 discrimination and shall not, on the grounds of race, color, religion, national origin,

1 ethnicity, familial status, sexual orientation or gender, exclude any person from  
2 participation in, or deny any person the benefits of, or subject any person to  
3 discrimination with respect to, any part of the Project. Owner shall at all times comply  
4 with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d, et seq.) and implementing  
5 regulations in 24 CFR Part 1. Owner shall also not discriminate on the basis of age  
6 under the Age Discrimination Act of 1975 (42 U.S.C. §6101, et seq.) and the  
7 implementing regulations contained in 24 CFR Part 146, or on the basis of disability as  
8 provided in Section 504 of the Rehabilitation Act of 1973, and the implementing  
9 regulations contained in 24 CFR Part 8.

10 (E) **Violence Against Women Act.** Owner shall comply with the provisions of the  
11 Violence Against Women Act (“VAWA”), as amended, including the requirements at [24](#)  
12 [CFR 92.359](#). VAWA has additional cross-references to in [24 CFR part 5, subpart L](#), and  
13 impacts notification requirements, lease bifurcation requirements, lease term/addendum,  
14 and emergency transfer plans. See example attached hereto as **Attachment F2 -**  
15 **County’s HOME/VAWA Lease Addendum**, and incorporated herein by reference.

16 (F) **Fair Housing Act.** Owner shall comply with the Fair Housing Act (42 U.S.C.  
17 §§3601-3620) and Executive Order 11063, as amended by Executive Order 12259  
18 (Equal Opportunity in Housing) and implementing regulations in 24 CFR Part 107 and  
19 keep all records demonstrating compliance with the foregoing.

20 (G) **Davis-Bacon Act. Labor Requirements.** Owner agrees to comply with [24 CFR](#)  
21 [92.354](#), and the requirements of the Secretary of Labor in accordance with the Davis-  
22 Bacon Act ([40 U.S.C. 3141](#)) as it applies to any construction work financed in whole or in  
23 part with HOME Funds. All contracts and subcontracts for construction shall include a  
24 provision for compliance with the Davis-Bacon Act and supporting Department of Labor  
25 regulations. Owner shall maintain documentation and records which demonstrate  
26 compliance with hour and wage requirements, including contract provisions and payroll  
27 records.

28 (H) **Davis-Bacon Applicability.** The threshold applicability of the Davis-Bacon Act

1 for this Project shall be governed by the specific unit triggers identified in Exhibit B of this  
2 Agreement. If Exhibit B notes that the Project triggers Davis-Bacon wage mandates, or if  
3 other cross-cutting Federal funds trigger such requirements, the Owner shall fully comply  
4 with all labor standards, tracking, and weekly payroll submittals mandated under 24 CFR  
5 92.354.

6 (I) **Copeland "Anti-Kickback" Act.** Owner agrees to comply with the Copeland  
7 "Anti- Kickback" Act (18 U.S.C.§874) as supplemented by the Department of Labor  
8 regulations contained in 29 CFR Part 3.

9 (J) **Contract Work Hours and Safety Standards Act.** Owner agrees to comply with  
10 the Contract Work Hours and Safety Standards Act ([40 U.S.C. 3701](#)), as supplemented  
11 by the Department of Labor regulations contained in 29 CFR Part 5.

12 (K) **Handicapped Accessibility Requirements.** The Project shall be accessible to  
13 and usable by individuals with handicaps, in compliance with the Architectural Barriers  
14 Act of 1968 (42 U.S.C. §§4151-4157), the Uniform Federal Accessibility Standards, as  
15 set forth in 24 CFR Section 570.614, and the Americans with Disabilities Act of 1990.

16 (L) **Resident Aliens.** Owner agrees to comply with the requirements set forth in [24](#)  
17 [CFR 5.512](#), as applicable regarding eligibility restrictions for certain resident aliens,  
18 subject to the prohibitions at [24 CFR 5.514](#).

19 (M) **Environmental Review Requirements.** In connection with any construction or  
20 improvements to the Project, Owner must submit an environmental report in form and  
21 substance acceptable to County, which must provide an environmental assessment of  
22 such construction in accordance with 24 CFR Parts 50 and 58, and be approved by  
23 County before commencing such work.

24 (N) **Lead Based Paint Prohibited.** For existing properties built prior to 1978, Owner  
25 agrees that it shall not use lead-based paint in the Project and shall comply with the  
26 Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §4831(b)), and the Residential  
27 Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§4851-4856) and  
28 implementing regulations at 24 CFR Part 35. Owner shall maintain records

1 demonstrating compliance with the foregoing lead based paint requirements. To the  
2 extent that lead-based paint is located in any existing buildings at the Project, Owner  
3 shall provide COUNTY with a plan for handling such lead-based paint in a safe manner,  
4 and in accordance with the foregoing regulations, and comply with the plan during any  
5 construction at the Project.

6 (O) **Historic Preservation.** To the extent applicable, Owner agrees to comply with  
7 the Historic Preservation requirements set forth in the National Historic Preservation Act  
8 of 1966, as amended (16 U.S.C. §470) and the procedures set forth in 36 CFR Part 800,  
9 Advisory Council on Historic Preservation Procedures for Protection of Historic  
10 Properties, insofar as they apply to the Project. In general, this requires concurrence  
11 from the State Historic Preservation Office for all rehabilitation and demolition of historic  
12 properties that are fifty (50) years old or older or that are included on a Federal, State, or  
13 local historic property list.

14 (P) **Flood Disaster Protection.** Owner shall obtain a flood zone certificate certifying  
15 that the Project is not located in a special flood hazard area ("Flood Hazard Area") as  
16 identified by Federal Emergency Management Agency ("FEMA"), or if located in a Flood  
17 Hazard Area, the designation of the Flood Hazard Area in which the Project is located.  
18 Owner shall comply with all requirements listed in the FEMA Special Flood Hazard Area  
19 Flood Maps. Owner agrees to comply with the requirements of the Flood Disaster  
20 Protection Act of 1973 (42 U.S.C. §4106) and implementing regulations in 44 CFR Parts  
21 59 through 79 in regard to the sale, lease or other transfer of land acquired, cleared or  
22 improved under the terms of this Agreement, as it may apply to the provisions of this  
23 Agreement.

24 (Q) **Permits.** Owner agrees to obtain and maintain all necessary permits for intended  
25 improvements or activities for the Project, and for the operation of the Project.

26 (R) **Displacement, Relocation, Acquisition and Replacement of Housing.** Owner  
27 shall comply with [24 CFR 92.508\(a\)\(7\)\(iv\)](#) and shall keep all records demonstrating  
28 compliance with these requirements including, but not limited to, those records required

1 in [24 CFR 92.353](#). Owner must comply with applicable requirements of the Uniform  
2 Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended  
3 ([49 CFR Part 24](#)) and Section 104(d) of the Housing and Community Project Act of  
4 1974, as amended. These requirements are explained in HUD Handbook 1378 and  
5 specify the procedures for the acquisition of property and the treatment of tenants  
6 located in the Project.

7 (S) **Conflict of Interest.** Owner shall comply with the conflict of interest provisions  
8 contained in 24 CFR 92.356(f), 2 CFR 200.317 and 2 CFR 200.318, as applicable.  
9 Additionally, the identity of interest (also referred to as related party) relationships with  
10 contracted property management, repair/rehabilitation contractors, or other project  
11 vendors must be disclosed. The County considers there to be an identity of interest  
12 (“IOI”) concern when the owner or developer is an affiliate of, or a related party to, to the  
13 contractor.

14 (T) **Rehabilitation Act.** Owner shall comply with Section 504 of the Rehabilitation  
15 Act of 1973, and the implementing regulations contained in 24 CFR Part 8.

16 (U) **Broadband Access Requirements.** Owner shall comply with the Narrowing the  
17 Digital Divide Through Installation of Broadband Infrastructure in HUD-Funded New  
18 Construction and Substantial Rehabilitation of Multifamily Rental Housing Rule.

19 (V) **Certification of Nonsegregated Facilities (applicable to contracts and**  
20 **subcontracts over \$10,000).** Owner certifies that it does not maintain or provide for its  
21 establishments, and that it does not permit employees to perform their services at any  
22 location, under its control, where segregated facilities are maintained. Owner certifies  
23 further that it will not maintain or provide for employees any segregated facilities at any  
24 of its establishments, and it will not permit employees to perform their services at any  
25 location under its control where segregated facilities are maintained. Owner agrees that  
26 a breach of this certification is a violation of the equal opportunity clause of this contract.

27 As used in this certification, the term "segregated facilities" means any waiting  
28 rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas,

1 time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking  
2 fountains, recreation or entertainment areas, transportation and housing facilities  
3 provided for employees which are segregated by explicit directive or are, in fact,  
4 segregated on the basis of race, color, religion, or national origin because of habit, local  
5 custom, or any other reason. Owner further agrees that (except where it has obtained for  
6 specific time periods) it will obtain identical certification from proposed subcontractors  
7 prior to the award of subcontracts exceeding \$10,000 which are not exempt from the  
8 provisions of the equal opportunity clause; that Owner will retain such certifications in its  
9 files; and that Owner will forward the following notice to such proposed subcontractors  
10 (except where proposed subcontractors have submitted identical certifications for  
11 specific time periods).

12 **(W) Certification of Compliance with Air and Water Acts (applicable to**  
13 **contracts and subcontracts exceeding \$100,000).** Owner and all subcontractors shall  
14 comply with the requirements of the Clean Air Act, as amended, 42 USC 7401 et seq.,  
15 the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. Violations  
16 must be reported to the Federal awarding agency and the Regional Office of the  
17 Environmental Protection Agency (EPA) In addition to the foregoing requirements, all  
18 nonexempt contractors and subcontractors shall furnish to COUNTY, the following:

19 (1) A stipulation by the Contractor or subcontractors, that any facility to be  
20 utilized in the performance of any nonexempt contract or subcontract, is not listed on  
21 the List of Violating Facilities issued by the Environmental Protection Agency (EPA)  
22 pursuant to 40 CFR Part 15, as amended.

23 (2) Agreement by Owner to comply with all the requirements of Section 114 of  
24 the Clean Air Act, as amended, (42 USC 1857 c-8) and Section 308 of the Federal  
25 Water Pollution Control Act, as amended, (33 USC 1318) relating to inspection,  
26 monitoring, entry, reports and information, as well as all other requirements specified  
27 in said Section 114 and Section 308, and all regulations and guidelines issued  
28 thereunder.

1 (3) A stipulation that as a condition for the award of the contract, prompt notice  
2 will be given of any notification received from the Director, Office of Federal  
3 Activities, EPA, indicating that a facility utilized, or to be utilized for the contract, is  
4 under consideration to be listed on the EPA List of Violating Facilities.

5 (4) Agreement by Owner to include, or cause to be included, the criteria and  
6 requirements of this section in every nonexempt subcontract and requiring that  
7 Owner will take such action as the government may direct as a means of enforcing  
8 such provisions.

9 1.19 **Access to Records. Maintenance of Records.** County, the State of California, the  
10 Department of Housing and Urban Development, the Comptroller General of the United States,  
11 or any of their duly authorized representatives, shall have access to any books, documents,  
12 papers and records of Owner which are directly pertinent to this specific contract, for the  
13 purpose of audits, examinations, and making excerpts and transcriptions. All records connected  
14 with this contract will be maintained in a central location by the unit of local government and will  
15 be maintained for a period of five (5) years from the official date of the final closeout of the  
16 grant.

17 1.20 **Energy Efficiency.** Owner shall comply with mandatory standards and policies  
18 relating to energy efficiency which are contained in the state energy conservation plan issued in  
19 compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201), as effected by the  
20 California Energy Code (Title 24, Part 6).

21 1.21 **Conflict of Interest.** Owner covenants that it presently has no interest and shall not  
22 acquire any interest, direct or indirect, in the above-described Project, any parcels therein, or  
23 any other interest that would conflict in any manner or degree with the performance of its  
24 obligations under this Agreement. Owner further covenants that, in the performance of this  
25 Agreement, no person having any such conflicting interest shall be employed or retained. This  
26 provision is executed in compliance with the federal conflict of interest regulations governing the  
27 HOME Investment Partnerships Program at 24 CFR § 92.356, as well as the uniform  
28 procurement standards set forth at 2 CFR § 200.318(c)(1).

1       1.22   **Compliance with Federal Administrative and Audit Requirements.** Owner  
2 agrees to comply with all applicable regulations, policies, guidelines, and requirements of the  
3 Office of Management and Budget (OMB) as codified in the Uniform Administrative  
4 Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Part 200,  
5 and as adopted and implemented by the U.S. Department of Housing and Urban Development  
6 at 2 CFR Part 2400, as they relate to the use of Federal funds under this Agreement.

7       1.23   **Lobbying.** Owner agrees to comply with all federal restrictions on lobbying in  
8 accordance with 24 CFR Part 87 and the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352),  
9 as enforced via 2 CFR Part 200, Appendix II. Additionally, Owner certifies, to the best of its  
10 knowledge and belief, that:

11           (A) No federally appropriated funds have been paid or will be paid, by or on behalf of  
12 Owner, to any person for influencing or attempting to influence an officer or employee of  
13 any agency, a member of Congress, an officer or employee of Congress, or an  
14 employee of a member of Congress in connection with the awarding of any federal  
15 contract, the making of any federal grant, the making of any federal loan, the entering  
16 into of any cooperative agreement, and the extension, continuation, renewal,  
17 amendment, or modification of any federal contract, grant, loan, or cooperative  
18 agreement; and

19           (B) If any funds other than federally appropriated funds have been paid or will be  
20 paid to any person for influencing or attempting to influence an officer or employee of  
21 any agency, a member of Congress, an officer or employee of Congress, or an  
22 employee of a member of Congress in connection with this federal contract, grant, loan,  
23 or cooperative agreement, Owner shall complete and submit Standard Form-LLL,  
24 "Disclosure Form to Report Lobbying," in accordance with its instructions.

25       1.24   **Affirmative Marketing and MBE/WBE Records.** For as long as this Federal  
26 regulation applies under [24 CFR 92.351](#) and [24 CFR 92.508\(a\)\(7\)\(ii\)](#), Owner shall document  
27 compliance with the requirement to perform affirmative outreach to minority-owned (MBE) and  
28 female-owned (WBE) businesses.

1        1.25    **Procurement of Recovered Materials.** In accordance with Section 6002 of the  
2 Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and 2  
3 CFR § 200.323, Owner shall procure items designated in guidelines of the Environmental  
4 Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered  
5 materials practicable, consistent with maintaining a satisfactory level of competition. Owner shall  
6 procure items designated in the EPA guidelines that contain the highest percentage of  
7 recovered materials practicable unless Owner determines that such items: (1) are not  
8 reasonably available in a reasonable period of time; (2) fail to meet reasonable performance  
9 standards, which shall be determined on the basis of the guidelines of the National Institute of  
10 Standards and Technology, if applicable to the item; or (3) are only available at an  
11 unreasonable price. This clause shall apply to items purchased under this Agreement where: (1)  
12 Owner purchases in excess of \$10,000 of the designated item under this Agreement; or (2)  
13 during the preceding Federal fiscal year, Owner purchased a total of in excess of \$10,000 of the  
14 item both under and outside a Federally funded contract.

15        1.26    **Tenant Fees.** In accordance with 24 CFR § 92.214(b)(3) and (b)(4), Owner shall not  
16 charge fees to tenants that are not customarily charged in rental housing, such as laundry room  
17 access fees. However, pursuant to 24 CFR § 92.214(b)(4), Owner may charge: (1) reasonable  
18 application fees to prospective tenants; (2) parking fees to tenants, provided such fees are  
19 customary for rental housing projects in the neighborhood; and (3) fees for services such as bus  
20 transportation or meals, as long as such services are entirely voluntary and fees are charged  
21 only for services actually provided.

22        1.27    **Program Requirements.** Owner and the Project shall comply with all rules and  
23 regulations applicable to the use of HOME Funds made available to the Project, at all times  
24 during the Federal Compliance Period as defined in Exhibit B.

25        1.28    **Duty and Responsibilities.** Owner owes a duty to County to perform under this  
26 agreement with integrity and good faith and in a manner that is in the best interests of County  
27 and consistent with the terms of this Agreement.

28        1.29    **Layering Compliance with Multiple Funding Sources.** To the extent that other

1 State and/or Federal laws provide additional, stricter, and/or more specific eligibility and tenancy  
 2 requirements, to the extent of the units designated as “County-assisted,” protective privacy  
 3 and/or security protections to PHI or other confidential information covered under this BAA,  
 4 Owner shall apply or cause others to apply the strictest applicable standard to the County-  
 5 assisted units. Owner agrees to comply with the more protective of the privacy and security  
 6 standards set forth in the applicable state or federal laws to the extent such standards provide a  
 7 greater degree of protection and security than HIPAA Rules or are otherwise more favorable to  
 8 the individual.

9 **1.30 Statutory Federal HOME Timeline Milestones and Limits.**

10 (A) **Commencement of Construction.** Must occur within twelve (12) months of this  
 11 Agreement’s execution.

12 (B) **Completion of Construction.** The recording of the Notice of Completion date of  
 13 the Project shall be no later than forty-two (42) months from the date this Agreement  
 14 was executed. This is necessary to ensure the County can comply with the Federal  
 15 requirement enforceable against County to close projects in IDIS within 4 years (48  
 16 months) of when funds were committed to the project (i.e. the initial execution date of  
 17 this Agreement) and complete all internal close-out procedures.

18 (C) **Lease-Up.** The County may require changes to the Owner’s Marketing Plan if  
 19 HOME-assisted units remain vacant at 6-months past the initial lease-up following initial  
 20 construction or the tenants’ return to the rehabilitated property, as applicable.

21 **1.31 Maximum HOME Rents & Maximum Rent to Be Collected from HOME-**  
 22 **Designated Units.**

Tenant Household Income Status	Can Owner Collect Full PBRA Contract Rent (Even if it Exceeds HOME Rents)?	Total Gross Rent Cap
Low HOME Unit Very Low-Income (≤ 50% AMI)	Yes (Under PBRA Exception)	Full PBRA Contract Rent

<b>Tenant Household Income Status</b>	<b>Can Owner Collect Full PBRA Contract Rent (Even if it Exceeds HOME Rents)?</b>	<b>Total Gross Rent Cap</b>
<b>High HOME Unit Low-Income (51% to 80% AMI)</b>	<b>No</b> (Fails VLI Exception Rule)	<b>High HOME Rent Limit</b>
<b>Over-Income (&gt; 80% AMI)</b> <b>* Not Allowed If Initial Income Qualification</b> <b>* Temporary Non-Compliance If Income Increased Over Time</b>	<b>No</b> (Triggers Over-Income Rules)	30% of Tenant's Actual Adjusted Income (or Market Rate if unit floats)

Table 14 - Federal Maximum HOME Rents

**Article 2 Section 3 – Training, Employment and Contracting Opportunities for Lower-Income Businesses and Persons**

2.1 **Federal Compliance Mandate.** Owner shall comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. § 1701u), and the implementing regulations set forth at 24 CFR Part 75, which are applicable to the Project pursuant to the HOME program regulations at 24 CFR § 92.350. Owner covenants to ensure that economic opportunities, most importantly employment and contracting generated by this housing construction project, shall to the greatest extent feasible be directed to low- and very low-income persons and Section 3 business concerns.

2.2 **Labor Hour Tracking.** In accordance with the reporting mandates of 24 CFR Part 75, Subpart C, Owner shall accurately track and accurately report to the County all paid labor hours worked on the Project, including the total labor hours worked by Section 3 Workers and Targeted Section 3 Workers, utilizing the forms and systems prescribed by the County.

1 **Article 3 Displacement, Relocation, and Real Property Acquisition**

2 3.1 **Governing Requirements and Funding Responsibilities.** Owner covenants and  
3 agrees to comply with all federal statutes and regulations governing real property acquisition,  
4 temporary relocation, and permanent displacement. This includes strict adherence to the  
5 Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended  
6 (42 U.S.C. §§ 4601–4655) (“URA”), its government-wide implementing regulations at [49 CFR](#)  
7 [Part 24](#), the HOME program relocation requirements at [24 CFR 92.353](#), and the anti-  
8 displacement provisions of Section 104(d) of the Housing and Community Development Act of  
9 1974 ([24 CFR Part 42](#)).

10 3.2 **Administrative Standards and HUD Handbook 1378.0.** Owner shall ensure that all  
11 relocation planning, advisory services, recordkeeping, claims processing, and tenant  
12 notifications comply strictly with the current chapters and appendices of [HUD CPD Handbook](#)  
13 [1378.0 \(Tenant Relocation, Displacement, and Real Property Acquisition\)](#).

14 3.3 **Mandatory Tenant Notices and Documentation.** To prevent involuntary  
15 displacement and ensure full compliance, Owner or its designated relocation consultant shall  
16 deliver the following written notices to all existing occupants, utilizing the standard HUD  
17 Guideforms provided in Handbook 1378.0:

18 (A) **General Information Notice (GIN):** Issued to all tenants immediately upon the  
19 submission of the application for HOME funds to the County, informing them of the  
20 proposed project and their potential rights under the URA.

21 (B) **Notice of Non-Displacement:** Issued to all tenants at the time of the Initiation of  
22 Negotiations (ION) or upon commitment of funds, legally guaranteeing that they will not  
23 be permanently displaced and will be permitted to lease a newly rehabilitated unit upon  
24 project completion.

25 (C) **Notice of Temporary Relocation:** If a tenant must vacate their unit during active  
26 construction, Owner shall provide a minimum of thirty (30) days advance written notice  
27 identifying the location of the decent, safe, sanitary, and comparable temporary unit, and  
28

1           guaranteeing reimbursement for all reasonable out-of-pocket moving and utility  
2           expenses pursuant to 24 CFR § 92.353(b).

3           **3.4 File Retention.** In accordance with 24 CFR 92.508, Owner shall maintain  
4           comprehensive, confidential relocation files for every household occupying the property from the  
5           start of the project. These files must include proof of delivery for all required notices, income  
6           certifications, temporary lease agreements, moving expense receipts, and documented  
7           evidence of relocation advisory services. Files must be maintained for a minimum of five (5)  
8           years following the termination of the project's Period of Affordability.

9           **3.5 Strict Liability for Notice Timelines, Material Breach, and Indemnification.**

10           **(A) Material Breach for Timing Failures.** Timely and proper delivery of all required  
11           URA notices is a material condition of this Agreement. Owner acknowledges that under  
12           49 CFR Part 24 and 24 CFR § 92.353, the failure to deliver a General Information Notice  
13           (GIN) or a Notice of Non-Displacement within the exact federally mandated windows can  
14           legally create an immediate, irreversible "Permanent Displacement" status for the  
15           occupying household.

16           **(B) Financial Responsibility and Specific Indemnification.** In the event that  
17           Owner's failure to strictly adhere to the notice timelines, delivery methods, or language  
18           requirements of HUD CPD Handbook 1378.0 results in the HUD's determination that a  
19           tenant has been permanently or involuntarily displaced, Owner assumes full, sole, and  
20           unconditional financial liability for all subsequent relocation benefits. Owner explicitly  
21           covenants to indemnify, defend, and hold harmless the County from any and all financial  
22           claims, tenant appeals, administrative penalties, or mandatory payout requirements  
23           under the URA, 42 U.S.C. §§ 4601–4655, or Section 104(d), 24 CFR Part 42, resulting  
24           from the Owner's or its management agent's failure to properly execute URA protocols.

25           **(C) Right to Withhold Funds.** Upon the discovery of a missed or improperly  
26           executed URA notice milestone, the County reserves the right to immediately declare an  
27           Event of Default, issue a stop-work order, and withhold any pending or future  
28

1 disbursements of HOME funds until the compliance failure is cured or a relocation  
2 mitigation fund is fully capitalized by the Owner to the County's satisfaction.

### 3 **Article 4 Suspension, Debarment, and Ineligibility Verification**

4 4.1 **Federal Compliance Mandate.** Pursuant to Executive Orders 12549 and 12689,  
5 HOME requirements at 24 CFR 92.350 (which also cites 24 CFR Part 5, Subpart A and leads to  
6 24 CFR 5.105) and 24 CFR 92.505, Federal Cross-Cutting Cost Principles at 2 CFR 200.214  
7 and 2 CFR Part 180, and HUD's implementing regulations at [2 CFR Part 2424](#), the Owner is  
8 strictly prohibited from entering into any "covered transaction" (defined as any contract,  
9 subcontract, or lower-tier procurement agreement regardless of tier) that utilizes, is supported  
10 by, or receives financial benefit from Federal funds with any entity or principal currently  
11 debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by a  
12 Federal agency.

13 4.2 **Scope of Covered Entities, Principals, and Ultimate Beneficiaries.** The Owner  
14 must ensure that compliance verification checks are performed across the broadest  
15 interpretation of project participants as mandated and supplemented by HUD-specific  
16 regulations. This scope encompasses:

17 (A) **Covered Entities (Participants).** The General Contractor, all subcontractors, all  
18 tier-subcontractors, consultants, suppliers, materials supplies, architectural/engineering  
19 firms, management agents, or any other legal entity receiving a financial benefit,  
20 payment, or contract associated with the Project as a whole, regardless of whether such  
21 specific contract is physically funded by local, private, State, Federal, or HUD  
22 assistance. If any portion of the Project receives HUD assistance, all financial  
23 transactions are covered transactions subject to this Article.

24 (B) **Expanded Definition of Principals.** The Owner shall not limit verification checks  
25 to corporate officers/entities, but must include any entity or individual who fits the HUD  
26 supplement to the government-wide definition of a "Principal" as a person who has a  
27 critical influence on, or substantive control over a covered transaction. Pursuant to [2](#)  
28 [CFR 180.995](#), [2 CFR 2424.995](#), this explicitly includes:

1 (1) Officers, directors, Owners, partners, key employees, project managers, and  
2 site superintendents, including parent and child entities of such.

3 (2) Consultants, developers, underwriters, lenders, loan officers, real estate  
4 agents or brokers, appraisers, closing agents, title companies, and escrow agents.

5 (3) Ultimate beneficiaries: Legal participants, developers, or entity recipients of  
6 the underlying Federal grant awards as defined in 2 CFR 2424.995(h) and 2 CFR  
7 2424.1017.

8 **4.3 Mandatory Compliance Verification Triggers.** The Owner shall conduct a formal  
9 compliance verification check strictly prior to the occurrence of any of the following lifecycle  
10 events:

11 (A) **Initial Contract Award/Execution.** Prior to executing any written agreement with  
12 a General Contractor, prime professional, or any entity or individual identified in Section  
13 4.2 above.

14 (B) **Subcontractor/Lower-Tier Approvals.** Prior to the execution of any subcontract  
15 or lower-tier agreement, and strictly prior to that subcontractor mobilizing on the job site  
16 or beginning performance of work.

17 (C) **Amendments and Change Orders.** Prior to executing any contract amendment,  
18 modification, or change order that alters the scope of work, timeline, or funding allocation  
19 of any active contract.

20 (D) **Progress Payments / Monthly Draw Requests.** Concurrently with the review of  
21 each monthly progress payment or draw request, ensuring all entities listed on the  
22 invoice or draw breakdown maintain active, eligible status prior to the release of any  
23 Project funds, regardless of source of funds.

24 **4.4 Non-Delegable Oversight & Lower-Tier Monitoring Control.** The Owner retains  
25 ultimate, non-delegable legal responsibility for Project-wide suspension and debarment  
26 compliance. While the Owner may permit the General Contractor to collect lower-tier  
27 verifications, the Owner is explicitly required to implement the following oversight mechanisms  
28 to prevent compliance failures:

1 (A) **Mandatory Lower-Tier Registration Tracking.** The Owner must maintain a  
2 master Project Subcontractor Log tracking every lower-tier entity contracted to perform  
3 work on the Project, inclusive of their Unique Entity Identifier (UEI) numbers.

4 (B) **Independent Quality Control Checks.** If the Owner's or MGP's staff is not  
5 solely responsible for the contents of the Project Subcontractor Log, the Owner's or  
6 MGP's staff shall independently cross-reference the Project Subcontractor Log against  
7 the active SAM.gov database quarterly to audit the accuracy of the General Contractor's  
8 submittals.

9 (C) **Flow-Down Requirement.** The Owner must compel the General Contractor or  
10 any party other than the Owner tasked with compliance, via explicit contract provisions,  
11 to include these exact federal suspension and debarment requirements in every  
12 subcontract and lower-tier agreement generated for this Project.

13 **4.5 Specific Recordkeeping Requirements for Suspension and Debarment Checks.**

14 Evidence of compliance with this Article must be dated, documented, and retained in the  
15 permanent Project file. To be deemed sufficient by Federal monitors, documentation must  
16 adhere to the following standards:

17 (A) **For Business Entities, Contractors, and Professionals.** Compliance must be  
18 verified via dated, digital PDF printouts extracted directly from the SAM.gov Exclusions  
19 database. The electronic printout must clearly display the official system date stamp and  
20 timestamp. The system date stamp on the PDF must establish that the search was  
21 performed prior to the contract execution, amendment execution, subcontractor  
22 mobilization, or payment processing date. Retrospective searches performed after an  
23 action has taken place shall constitute an automatic monitoring finding. For any lower-  
24 tier subcontractor or supplier who does not possess a full registration profile in SAM.gov  
25 (e.g., returning a "No Records Found" result), the Owner must collect a signed, dated  
26 "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion —  
27 Lower-Tier Covered Transactions" form prior to their approval.  
28

1                   **Article 5 Personal Responsibility and Work Opportunity Reconciliation Act**  
2   **Compliance**

3           5.1    **General Mandate.** The Owner shall administer the tenant selection, intake, and  
4 eligibility determination processes in compliance with the Personal Responsibility and Work  
5 Opportunity Reconciliation Act of 1996 (“PRWORA”) (8 U.S.C. § 1611 et seq.), to the extent that  
6 PRWORA is legally determined to apply to HUD’s HOME Investment Partnerships Program by  
7 an active, enforceable, and non-stayed Federal statutory or regulatory mandate.

8           5.2    **Conditional Enforcement & Mixed-Status Households.** The Owner’s policies,  
9 procedures, and property management practices regarding household eligibility and  
10 Citizen/Non-Citizen status verification shall be expressly governed by the following operational  
11 boundaries:

12                   (A) **Prerogative of Prorated Benefits.** Unless and until a final, non-appealable  
13 judgment on the merits is issued in the ongoing federal litigation (e.g., *New York, et al. v.*  
14 *U.S. DOJ, HUD, et al., Case No. 1:25-CV-00345*) lifting the active stay of enforcement,  
15 or unless otherwise directed in writing by the County following a clear change in Federal  
16 judicial standing, the Owner shall not implement any policy that denies eligibility to an  
17 entire multi-person household based on the presence of an un-aided or ineligible Non-  
18 Citizen household member.

19                   (B) **Protection of Mixed-Status Families.** In alignment with historical HUD Section  
20 214 guidelines and longstanding regulatory practice, housing assistance and unit  
21 eligibility shall continue to be processed on a prorated basis, ensuring that eligible  
22 household members (inclusive of U.S. Citizen minor children) continue to receive the  
23 proportional benefit of the affordable unit, with the household paying an unassisted,  
24 prorated market-rate share for any non-contending or ineligible members. This clause  
25 shall prevail unless and until the events described in Section 5.3, titled “Retroactive  
26 Adjustments,” below occur.

27                   (C) **Harmonization with California Civil Rights Law.** In all cases, the Owner is  
28 explicitly prohibited from implementing any verification or documentation practices that

1 violate California Government Code § 11135, the Unruh Civil Rights Act (Civ. Code §  
2 51), or the Fair Employment and Housing Act (“FEHA”). The collection of immigration or  
3 citizenship data from tenants shall be limited strictly to the minimum thresholds  
4 affirmatively required by active, non-stayed Federal regulations.

5 **5.3 Retroactive Adjustments.** In the event a court of competent jurisdiction issues a  
6 final ruling that alters the enforcement status of PRWORA within the State of California, or if  
7 HUD successfully implements a revised final rule applicable to HOME addressing mixed-status  
8 households that survives judicial challenge, the Owner shall modify its written tenant selection  
9 policies and recertification procedures within sixty (60) days of receiving formal written  
10 administrative guidance from the County to align with the new, legally-enforceable standard. In  
11 the event HUD issues clear guidance directing a shorter or longer compliance period than sixty  
12 (60) days, the County and Owner shall abide by the specific compliance effective date.

### 13 **Article 6 Affordability Requirements**

14 **6.1 Qualification as Affordable Housing: Rental Housing.** HOME-Assisted Units must  
15 be occupied only by households that are eligible as low-income families or very low-income  
16 families, all as defined in 24 CFR 92.2, and must meet the requirements to qualify as affordable  
17 housing pursuant to 24 CFR 92.252 as provided herein (“Affordability Requirements”).

18 **6.2 HOME-Assisted Units and Project Mix.** The Project consists of a total number of  
19 units and a specific number of HOME-assisted units as identified in Article 1 of Exhibit B to this  
20 Agreement. Pursuant to 24 CFR 92.252(j), these specific HOME-assisted units shall be  
21 structured as floating units within the available unit mix, meaning that the HOME-assisted  
22 designation is not tied to a specific apartment number for the duration of the Affordability Period  
23 but shall float to maintain conformity with the requirements of this section. Substituted units  
24 must be comparable in terms of size, features, and number of bedrooms to the originally  
25 designated HOME units.

26 **6.3 Income Targeting Requirements.** At all times during the Federal Period of  
27 Affordability, the HOME-Assisted Units shall maintain the specific High HOME and Low HOME  
28 income targeting designations set forth in Exhibit B of this Agreement. Households occupying

1 designated Low HOME units must have annual incomes at or below fifty percent (50%) of the  
2 Area Median Income (AMI), and households occupying designated High HOME units must have  
3 annual incomes at or below sixty percent (60%) of the AMI (or eighty percent [80%] AMI as  
4 allowed under floating unit regulations), adjusted for family size, as determined annually by HUD  
5 for the Fresno Metro Area. All HOME-assisted units must be occupied by income-eligible  
6 tenants within eighteen (18) months of project completion. In accordance with 2 CFR § 200.339,  
7 failure to satisfy this lease-up requirement shall result in remedies for noncompliance, up to and  
8 including the mandatory recapture and repayment of all disbursed HOME assistance.

9       **6.4 Verifying Tenant Household Income.** Owner is responsible for determining tenant  
10 household income eligibility utilizing the Part 5 (“Section 8”) definition and calculation  
11 methodology found at 24 CFR 5.609. Owner shall comply with all updated income and asset  
12 verification regulations mandated by the Housing Opportunity Through Modernization Act  
13 (HOTMA) implementation updates under 24 CFR Part 5 and 24 CFR Part 92.

14       **6.5 Redeterminations of Tenant Household Income. Safe Harbor Realignment.**  
15 Owner shall be responsible for performing an annual re-examination of tenant income. Pursuant  
16 to the HOTMA streamlining codified at 24 CFR 92.203(a)(1) for project-based subsidies, 24  
17 CFR 92.203(a)(2) for tenant-based rental assistance (“TBRA”), and 24 CFR 92.203(a)(3) for  
18 other means-tested public assistance (including LIHTC), the County authorizes the Owner to  
19 utilize the third-party income determinations executed by the PBRA, TBRA, or LIHTC  
20 administrators as an approved safe-harbor evaluation. Owner shall complete County’s annual  
21 income Safe Harbor certification form, which the County may update from time to time.  
22 Notwithstanding these safe harbors, a full, independent HOME re-examination utilizing source  
23 documentation under 24 CFR § 92.203(b)(1)(i) remains strictly mandatory in the sixth (6th) year  
24 of the Federal Period of Affordability and every sixth year thereafter.

25       **6.6 HOME Rent Limits and Subsidized Overrides.** In the absence of LIHTC and PBRA  
26 subsidies, Owner shall not charge monthly rents for the HOME-assisted units that exceed the  
27 Low HOME Rent Limits published annually by HUD, minus a credit for any tenant-paid utilities  
28 as determined by the approved utility allowance schedule. However, for units layered with active

1 USDA PBRA where a household pays no more than 30% of their adjusted monthly income  
2 toward rent, the Owner may collect the higher PBRA program rent limit in strict accordance with  
3 the subsidy exception rules outlined at 24 CFR § 92.252(a)(2).

4 **6.7 Utility Allowances.** If a household pays directly for utilities, Owner must deduct the  
5 exact utility allowance from the published HUD rent limit, or applicable LIHTC or PBRA rent limit  
6 to calculate the maximum allowable net contract rent. In accordance with 24 CFR 92.252, the  
7 utility allowance logic must follow the mandatory hierarchy established in Exhibit B of this  
8 Agreement.

9 **6.8 Adjusting Rents and Rent Floor.** Owner may adjust rents annually in accordance  
10 with updated HUD rent limits and updated utility allowances, subject to allowances for LIHTC  
11 and PBRA as identified in Exhibit B. Pursuant to 24 CFR 92.252(a), the project is protected by a  
12 rent floor; regardless of downward fluctuations in median incomes or fair market rents over time,  
13 the maximum allowable gross rent for the project shall not be required to be lower than the HUD  
14 Low HOME Rent Limits in effect at the time of project commitment.

15 **6.9 Over-Income Tenants in Floating, Layered Units.** If a regular income re-  
16 certification demonstrates that an existing tenant household in a floating, Low HOME-assisted  
17 unit has become over-income (exceeding 80% AMI), the standard HOME 30% calculation is  
18 superseded by prevailing program rules. Pursuant to 24 CFR § 92.252(h)(2), because these  
19 units feature LIHTC and PBRA cross-restrictions, the over-income rent adjustments and unit re-  
20 designations must follow the active LIHTC and PBRA regulatory protocols detailed in Exhibit B  
21 of this Agreement to return the property to the required unit mix, which may include the  
22 identification of the Next Available Unit.

23 **6.10 Property Standards.** The Project must comply with the comprehensive Property  
24 Standards set forth in Article 2 of Exhibit A to this Agreement, which must be executed in strict  
25 satisfaction of 24 CFR 92.251 and cross-cutting NSPIRE requirements.

## 26 **Article 7 Tenant Selection and Lease Requirements**

27 **7.1 Tenant Selection Procedures.** Owner must adopt written tenant selection policies  
28 and criteria within the Project's Management Plan that comply strictly with 24 CFR 92.253(d),

1 civil rights requirements, and any such affirmative marketing requirements as may apply under  
2 24 CFR 92.351(a). These written policies and criteria must:

3 (A) Be consistent with the purpose of providing affordable housing to low- and very  
4 low-income households.

5 (B) Be reasonably related to program eligibility and the applicant's ability to perform  
6 the obligations of the lease (i.e., paying rent, preventing property damage, and  
7 respecting the quiet enjoyment of other tenants).

8 (C) Limit the housing to very low-income and low-income families in accordance with  
9 the project's targeting agreements.

10 (D) Provide for tenant selection from a written, chronological waiting list, in order of  
11 application to the extent practicable, with documented allowances made for the  
12 prioritization of disabled tenants needing accessible units built under the Americans with  
13 Disabilities Act (ADA).

14 (E) Give prompt, written notice to any rejected applicant of the explicit grounds for  
15 their rejection within the timeframes mandated by state law.

16 **7.2 Lease Provisions and Tenant Protections.** All leases executed for the HOME-  
17 assisted units must be in writing, must incorporate the mandatory HUD HOME Lease  
18 Addendum (as may be amended by the County or HUD from time to time), must incorporate a  
19 VAWA Lease Addendum (as may be amended by the County or HUD from time to time), and  
20 must comply with the provisions set forth at 24 CFR 92.253.

21 (A) **Lease Length.** The lease term shall be for a period of not less than one (1) year,  
22 unless the Owner and the tenant mutually agree in writing to a shorter period, provided  
23 that no lease term shall be for less than thirty (30) days. All baseline lease templates  
24 utilized for HOME units are subject to review and prior approval by the County.

25 (B) **Termination of Tenancy and Non-Renewal.** Pursuant to 24 CFR 92.253(c),  
26 Owner shall not terminate the tenancy or refuse to renew the lease of a tenant in a  
27 HOME-Assisted Unit except for good cause, which is defined strictly as a serious or  
28 repeated violation of the terms and conditions of the lease; a violation of applicable

1 Federal, State, or local law; or the completion of a transitional housing tenancy period.  
2 For HOME-assisted units, an increase in a tenant's income does not constitute good  
3 cause for termination or non-renewal.

4 (C) **Notice Timeline.** Owner must serve the tenant with a written notice specifying  
5 the clear grounds for termination or non-renewal at least thirty (30) days prior to the  
6 termination date, or such longer period as required under California landlord-tenant law  
7 (e.g., California Civil Code Section 1946.1 requiring 60 days' notice for tenancies  
8 exceeding one year).

9 (D) **Rent Increases.** Owner shall explicitly state the allowable HOME rents within the  
10 text of the lease agreement and notify tenants that rents are subject to annual  
11 adjustments based on HUD updates. Owner shall provide a minimum of thirty (30) days  
12 written notice to the tenant prior to implementing an approved rent adjustment, and no  
13 rent increase shall be implemented without the express, prior written authorization of the  
14 County.

15 (E) **Mandatory VAWA Protections.** In accordance with 24 CFR 92.359 and 24 CFR  
16 92.253(a), Owner shall ensure all tenant selection policies and leases comply with the  
17 Violence Against Women Act ("VAWA"). No applicant shall be denied admission, and no  
18 tenant shall have their tenancy terminated or non-renewed, on the basis or as a direct  
19 result of the fact that the applicant or tenant is a victim of domestic violence, dating  
20 violence, sexual assault, or stalking. Owner must provide all tenants with HUD Forms  
21 5380 and 5382 at admission and upon any notice of eviction.

22 (F) **Prohibited Lease Clauses.** Pursuant to 24 CFR 92.253(b), as may be amended  
23 from time to time, Owner shall not include any of the following federally prohibited  
24 clauses in any lease agreement:

25 (1) Agreement to be sued, admit guilt, or accept a judgment in a lawsuit.

26 (2) Agreement allowing the landlord to seize or sell tenant property without notice  
27 and a court order.  
28

1 (3) Agreement excusing the owner or its agents from legal responsibility for  
2 intentional or negligent acts.

3 (4) Waiver of notice or waiver of legal civil court eviction proceedings.

4 (5) Waiver of a jury trial or a waiver of the right to appeal a court decision.

5 (6) Agreement making the tenant liable for the landlord's legal costs regardless  
6 of the court outcome.

7 (7) Agreement compelling the tenant to accept mandatory supportive services  
8 (except within authorized transitional housing).

9 **Article 8 Contract Provisions for Non-Federal Entity Contracts Under Federal Awards**

10 8.1 HOME funds require compliance with all Federal requirements and provisions  
11 codified at [Appendix II to Part 200, Title 2](#), as applicable. The Owner shall familiarize itself with  
12 these requirements and include provisions for compliance in all sub-tier contracts used in  
13 furtherance of the Project, as applicable. These requirements include:

14 (A) Ensuring contractors for more than the Federal simplified acquisition threshold  
15 address administrative, contractual, or legal remedies in instances where contractors  
16 violate or breach contract terms and provide for such sanctions and penalties as  
17 appropriate.

18 (B) Ensuring all contracts in excess of \$10,000 address termination for cause and  
19 termination for convenience by the non-Federal entity, including the manner by which it  
20 will be effected and the basis for settlement.

21 (C) Equal Employment Opportunity.

22 (D) Davis-Bacon Act.

23 (E) Copeland Anti-Kickback Act.

24 (F) Contract Work Hours and Safety Standards Act.

25 (G) Rights to Inventions Made Under a Contract or Agreement.

26 (H) Clean Air Act.

27 (I) Federal Water Pollution Control Act.

28 (J) Debarment and Suspension.

1 (K) Byrd Anti-Lobbying Amendment.

2 (L) Other regulations listed at 2 CFR 200.323, 200.216, and 200.322.

3 8.2 Other compliance requirements that flow to sub-tier contracts include all provisions at  
4 Appendix II to 2 CFR 200.

5 8.3 Several of the statutory requirements include requirements for documentation and  
6 disclosure to the tier above it.

7 (A) The Owner shall ensure all sub-tier reporting is occurring, being documented,  
8 and that records of compliance are retained in accordance with the recordkeeping  
9 provisions of Article 10 and Exhibit A.

10 (B) The Owner shall ensure, actively monitor, and verify the accuracy and  
11 completeness of compliance documentation reporting it collects prior to reporting on it to  
12 the County.

### 13 **Article 9 Records, Accounts, and Reports**

14 9.1 **Books and Records.** Owner shall maintain adequate books of account with respect  
15 to its services, in accordance with generally accepted accounting principles (GAAP), in a form  
16 and method acceptable to County for the duration of this Agreement. Owner shall permit  
17 County's agents from time-to-time within forty-eight (48) hours written notice, to inspect, copy  
18 and audit during Owner's normal business office hours, the books and records pertaining to the  
19 services provided under this Agreement.

20 9.2 **Record-Keeping Requirements During the Period of Affordability.** Owner shall  
21 maintain the following physical and electronic records regarding HOME-Assisted Units ("Project  
22 Records"), or shall require the management agent to do so pursuant to a management  
23 agreement or other written agreement:

24 (A) Project audits;

25 (B) Waiting list procedures, waiting lists, and tenant preference requirements;

26 (C) Budget files (e.g., project finances, capital expenditures, and projections);

27 (D) Tenant files (e.g., applications, leases, income verifications, recertifications,  
28 relevant notices);

1 (E) Unit records (e.g., rents, vacancies, accessibility);

2 (F) Property records (e.g., maintenance, property inspection reports);

3 (G) Affirmative marketing records and Civil Rights Compliance records; and

4 (H) Employment records with respect to Owner and/or management agent.

5 (I) Project records must be maintained until five (5) years after the Project is marked  
6 complete in IDIS, in accordance with 24 CFR § 92.508(c)(1).

7 (J) Written agreements must be retained for five (5) years after the agreement  
8 terminates.

9 (K) Records covering displacements and acquisition must be retained for five years  
10 after the date by which all persons displaced from the property and all persons whose  
11 property is acquired for the project have received the final payment to which they are  
12 entitled in accordance with § 92.353.

13 (L) Tenant income, rent, and inspection records must be retained for the most recent  
14 five-year period, until five (5) years after the Federal Period of Affordability terminates, in  
15 accordance with 24 CFR § 92.508(c). In accordance with the verification requirements of  
16 24 CFR § 92.203, the Owner must collect full, third-party source documentation to verify  
17 each household's annual income eligibility at the initial lease-up or move-in event. For  
18 subsequent annual redeterminations during the Period of Affordability, the Owner may  
19 utilize approved safe-harbor streamlining or self-certification methods, except that a full,  
20 comprehensive re-examination utilizing independent source documentation remains  
21 strictly mandatory in the sixth (6th) year of the Federal Period of Affordability and every  
22 sixth year thereafter, regardless of the individual tenant's move-in anniversary or current  
23 tenancy length. (For example, if a tenant household moves into a unit during Year 5 of  
24 the Federal Period of Affordability and provides full source documentation at initial  
25 qualification, that household must still undergo a full source-documented re-examination  
26 in Year 6). The County retains full and final administrative determination of the exact  
27 calendar years that constitute the mandatory six-year cycle.

28 (M) If any litigation, claim, negotiation, audit, monitoring, inspection, or other action

1 has been started before the expiration of the required record retention period, applicable  
2 records must be retained until completion of the action and resolution of all issues which  
3 arise from it, or until the end of the required period, whichever is later.

4 (N) County, HUD, the Comptroller General of the United States, and any of their  
5 representatives, retain the right to access all reports and records relating to the Project  
6 and to conduct on-site inspections of records at any time during normal business hours.

7 **9.3 Periodic and/or Annual Reports.** At any time, the County may request that Owner,  
8 with the minimum of ten (10) days written notice, prepare and/or produce a report of the results  
9 of operations, as it pertains to this Agreement, in the previous fiscal year prepared in  
10 accordance with generally accepted accounting principles (GAAP). The report must be prepared  
11 and certified by an independent certified public accounting Owner. (For purposes of this  
12 Agreement, each “fiscal year” begins on January 1 and ends on December 31 of the same  
13 year.)

14 **9.4 Reporting During Development Process.** Owner shall provide a progress report  
15 with each Request for Payment submitted to County.

16 **9.5 Reporting Until Commencement of the Affordability Period.** No later than the  
17 30th day of each month during the initial lease up of the Home-Assisted Units, which begins  
18 after a Certificate of Occupancy has been granted by the County, Owner shall provide the  
19 following information regarding any Home-Assisted Unit leased during that month:

20 (A) Each HOME Assisted Unit (identified by address and unit number);

21 (B) Whether the unit is a High HOME or Low HOME Rent unit;

22 (C) Unit Size (bedrooms);

23 (D) Household size and income level (“household” is all occupants of unit – not just  
24 related family members);

25 (E) Race and other demographics, if known to Owner;

26 (F) Special needs (i.e. whether the household includes a person with a disability,  
27 etc.), if known to Owner;

28 (G) Amount of rent and tenant-paid utilities; and,

1 (H) Other governmental housing assistance provided to the tenant.

2 9.6 **Reporting During the Federal Period of Affordability.** During the Federal Period  
3 of Affordability, Owner shall provide the following information no later than March 31 of each  
4 year:

5 9.7 Occupancy Report of HOME-Assisted Units, including the following:

6 (A) All items listed in Section 9.2 above; and

7 (B) Date of last income recertification.

8 9.8 Financial Report for the Property, Including the Following:

9 (A) Gross receivable rent for the Property as of a specific date;

10 (B) Actual rent collections for the Property;

11 (C) Tenant accounts receivable for the Property;

12 (D) Accounts payable for the Property;

13 (E) Number of and reasons for vacancies for the Property; and

14 (F) Units off-line.

15 9.9 Property Maintenance & Condition Report, Including the Following:

16 (A) List of findings from the Property's last physical inspection by Owner or  
17 management agent or other governmental entities (if any) regarding the Property,  
18 including any outstanding code violations identified by such inspection, and a status  
19 update.

20 (B) A certification that each building and all HOME-assisted units in the project are  
21 suitable for occupancy, taking into account State and local health, safety, and other  
22 applicable codes, ordinances, and requirements, and the ongoing property standards  
23 established by County to meet requirements of 24 CFR § 92.251 during the project's  
24 affordability period.

25 9.10 Other Reports. County retains the right to request additional information and the right  
26 to change reporting requirements regarding HOME-Assisted Units as reasonably necessary.  
27  
28

## Article 10 Statutory Timelines

10.1 **Construction Start.** Pursuant to the definition of “Commitment” under 24 CFR Part 92.2, construction of the project must be reasonably expected to begin within 12 months of executing this Agreement.

10.2 **Project Completion.** Per [24 CFR 92.205\(e\)\(2\)](#), physical construction of the project **and** closeout in IDIS of the project must be achieved within 4 years of the execution of this Agreement. Regardless of other deadlines other funders may have, the County requires physical construction completion within 3.5 years of the execution date of this Agreement to ensure sufficient time for completion of the closeout requirements. NSPIRE standards for the Property must be met, final retention paid, and County’s final funding draw from HUD completed, prior to the project being marked complete in IDIS.

10.3 **Occupancy Deadline.** Per [24 CFR 92.252](#), if any HOME-assisted rental units remain vacant 6 months after project completion, the Owner must submit to the County an enhanced marketing plan and the County must report the status to HUD.

10.4 **Complete Lease-Up Deadline.** Per [24 CFR 92.252](#), all HOME-assisted rental units must be occupied by income-qualified tenants within 18 months of construction completion. If a unit is still vacant at 18 months, HUD will require the County to repay the HOME funds spent on that specific vacant unit and County will seek reimbursement from Owner.

10.5 **Initial/Completion Inspection.** County shall inspect the property prior to project completion in IDIS, per 24 CFR 92.251(b)(3).

10.6 **Post-Construction Inspection.** Once construction is complete, per [24 CFR 92.251\(f\)\(3\)](#), the County must conduct its first on-site physical inspection of the property under NSPIRE within 12 months of completion. Owner must maintain the Property in accordance with [24 CFR 92.251\(f\)\(1\)](#). Subsequent inspections will be scheduled based on the County’s risk-based monitoring schedule (but will occur no less than once every 3 years).

## Article 11 Remedies for Non-Compliance.

11.1 Failure by the Owner to perform, document, or enforce any applicable Federal requirement in this Exhibit F, contained (as applicable) within [24 CFR Part 92](#), or applicable and

1 cross-referenced to another section of government regulation from within 24 CFR Part 92 during  
2 the Federal Compliance Period, as identified in Exhibit B, shall constitute a material instance of  
3 breach of this Agreement under Article 6 of the main body of this Agreement.

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**Federal Grant Agreement and Assurances**

[copy of County's HOME agreement with HUD and Federal Assurances]

County's HOME/VAWA Lease Addendum



COUNTY OF FRESNO - COMMUNITY DEVELOPMENT

HOME Investment Partnerships Program

HOME LEASE COMPLIANCE/VAWA ADDENDUM

EACH HOUSEHOLD MUST SIGN THIS ANNUALLY, BE GIVEN A COPY, & ORIGINAL KEPT

ON FILE

Tenant: \_\_\_\_\_ Property Address: \_\_\_\_\_

Property Name: \_\_\_\_\_ Unit #: \_\_\_\_\_ Date: \_\_\_\_\_

Initial Lease  Renewal Lease Units are:  Fixed or  Floating

I. The tenant was offered an initial one year lease term and by mutual consent elected a:

one year lease  six month lease  month to month

II. Tenant agrees to a month to month lease after the expiration of the initial lease term

Yes  No  Not Applicable

III. Prohibited terms: The above-referenced lease ("Lease") MAY NOT contain any of the following

- A. Agreement to be sued: Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;
- B. Treatment of property: Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with state law;
- C. Excusing owner from responsibility: Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent;
- D. Waiver of notice: Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;
- E. Waiver of legal proceeding: Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
- F. Waiver of a jury trial: Agreement by the tenant to waive any right to a trial by jury;
- G. Waiver of right to appeal court decision: Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease;

- 1 H. *Tenant chargeable with cost of legal actions regardless of outcome:* Agreement by the tenant to  
2 pay  
3 attorney's fees or other legal costs even if the tenant wins in a court proceeding by the owner  
4 against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses;
- 5 I. *Mandatory supportive services:* Agreement by the tenant (other than a tenant in transitional  
6 housing) to accept supportive services that are offered.

#### 7 **IV. Termination of Tenancy**

8 The owner may not terminate or refuse to renew the lease of a tenant of rental housing assisted with HOME  
9 funds, except for the following reasons:

- 10 • serious or repeated violations of the lease;
- 11 • violation of applicable Federal, State, or local law;
- 12 • for completion of the tenancy period for transitional housing; or
- 13 • for other good cause.

14 To terminate or refuse to renew tenancy, the owner must serve written notice upon the tenant specifying  
15 the grounds for the action at least 30 days before the termination of tenancy.

#### 16 **V. VAWA Protections**

17 The following provisions are hereby added to the Lease for purposes of complying with 24 CFR § 92.253  
18 and the Violence Against Women Reauthorization Act of 2022 (VAWA):

- 19 A. VAWA Protections apply to all tenants and survivors of abuse, domestic violence, dating violence,  
20 sexual assault, or stalking, regardless of actual or perceived sex, gender, gender expression, or  
21 sexual orientation.
- 22 B. The owner may not consider incidents of domestic violence, dating violence, sexual assault or  
23 stalking as serious or repeated violations of the lease or other "good cause" for termination of  
24 assistance, tenancy or occupancy rights of the survivor of abuse.
- 25 C. If the tenant survivor of abuse desires to terminate the Lease early, they may do so without  
26 penalty if the owner (or County of Fresno upon appeal) determines that the tenant has met the  
27 conditions for an emergency transfer under 24 CFR Part 5.2005(e). This will be evidenced, in  
28 part, through the Certification of Domestic Violence, Dating Violence, Sexual Assault, or  
Stalking, and Alternate Documentation (HUD Form 5382) and Emergency Transfer Request for  
Certain Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (HUD Form  
5383) forms or updated version of said forms. As of 2023, these forms are available at:  
<https://www.hud.gov/vawa>
- D. The owner may bifurcate the Lease, or remove a house member from the Lease in order to evict,  
remove, terminate occupancy rights, or terminate assistance to such member who engages in  
criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking  
against an affiliated individual or other individual without regard to whether the household  
member is a signatory to the Lease and without evicting, removing, or terminating assistance to a  
victim of such criminal activity who is also a tenant or lawful occupant. The owner may choose to  
bifurcate the Lease at their discretion. The owner's refusal to bifurcate the Lease does not  
restrict the tenant's ability to terminate the Lease if the tenant has met the conditions for an  
emergency transfer.
- E. The owner may not consider criminal activity directly relating to abuse, engaged in by a  
member of tenant's household or any guest or other person under the tenant's control, cause  
for termination of assistance, tenancy, or occupancy rights if the tenant or an affiliated  
individual of the tenant is the victim or threatened victim of that abuse.
- F. The owner may request in writing that the victim or an affiliated individual of the tenant certify  
that the individual is a victim of abuse and that the tenant complete and submit documentation of  
abuse, using the Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking  
(HUD Form 5382), or other documentation as noted on the certification form, to receive

1 protection under VAWA. Failure to provide the documentation within 14 business days of  
2 request, or an agreed upon extension date, may result in eviction.

- 3 G. Any information submitted to the owner will be kept confidential and will not be disclosed to any  
4 other individual or entity except if disclosure is consented to by the victim, is required for an  
5 eviction or is otherwise required by law.

6 **VI. State of California Tenant Protections Apply**

7 Tenants assisted by HOME shall be protected by all other applicable tenant protections afforded by the  
8 State of CA.

9 **VII. Tenant Reporting**

10 Tenant is required to provide timely and accurate information to the owner to determine tenant's eligibility  
11 at move-in and recertification. A failure to provide such certifications, verifications and information in a  
12 timely manner, as reasonably requested by owner, or any falsification or willful misrepresentation  
13 thereof, shall be deemed a material non-compliance with the lease.

14 **VIII. Conflict with Other Provisions of the Lease**

15 In case of any conflict between the provisions of this Addendum and other sections of the Lease, the  
16 provisions of this Addendum shall prevail. The provisions of this Addendum are incorporated into the  
17 Lease as of the same date and set forth at length therein.

18 **IX. Updates, Questions, & Concerns**

19 This form shall be updated to the most recent version provided by the County of Fresno. Tenants with  
20 questions or concerns about the rights and responsibilities afforded by this addendum may call (559)  
21 600-4292.

22 \_\_\_\_\_ Date Resident Signature Date

23 \_\_\_\_\_ Date Resident Signature Date

24 \_\_\_\_\_ Date

25 **The following National Hotlines can assist Survivors:**

26 **National Domestic Violence  
27 Hotline**

28 1-800-799-SAFE (7233)

TTY: 1-800-787-3224

Text "START" to 88788

**National Sexual Assault  
Hotline**

1-800-656-HOPE (4673)

**National Teen Dating Abuse  
Helpline**

1-866-331-9474

1-866-331-8453 (TTY)

**Suicide & Crisis Lifeline**

988

1 **National Human Trafficking**  
2 **Hotline**

3 1-888-373-7888

4 711 (TTY)

5 Text: 233733

**National Center for Victims of**  
**Crime**

1-855-VICTIM (1-855-484-2846)

(call or text)

6 **National Runaway Safeline**

7 1-800-RUNAWAY (800-786-  
8 2929)

**StrongHearts Native Helpline**

1-844-7NATIVE (762-8483)

9 **The following Local Hotlines can assist Survivors:**

10  
11 **Marjaree Mason Center 24-Hour Crisis Helpline**

12 (559) 233-HELP (4357)

13  
14 **Crime Victims Assistance Center**

15 (559) 600-2822

16  
17 **Rape Counseling Services of Fresno**

18 (559) 222-7273

19  
20  
21 **The following State Hotlines can assist Survivors:**

22  
23 **California Coalition to Abolish Slavery and Trafficking (CAST)**

24 1-888-KEY-2-FRE(EDOM) or 1-888-539-2373

25  
26 **The Trevor Project**

27 1-866-488-7386 or text START to 678678

1                   **Exhibit G - Limited Delegation of County Board of Supervisors'**  
2   **Signature Authority**

3  
4           **Article 1 Four (4) Signatures to Execute Documents Necessary to Complete the Project**

5           1.1    **Need for Alternate Signature Process.** The County recognizes that its formal  
6 opportunities for executing documents timely is incompatible with the timing of tax credit and  
7 other real property projects and the need to make last-minute updates to documents prior to  
8 execution.

9           1.2    **Authorized Signatories. All Four (4) Signatures Required.** A document for this  
10 Project, subject to the prior review and approval of the four (4) entities listed below (“Authorized  
11 Signatories”), when duly executed by said Authorized Signatories who are hereby authorized to  
12 enter into and sign in the name of the County, shall bear the full weight and authority as a  
13 signature by the Chairman of the Board of Supervisors of the County of Fresno:

14                   (A) The Director of Public Works and Planning, or his or her duly authorized  
15 designee as identified in writing, as Chief Executive Officer, pursuant to [County of](#)  
16 [Fresno Ordinance 2.52.040\(L\)](#).

17                   (B) The Division Manager of the Community Development Division within the  
18 Department of Public Works and Planning, or his or her duly authorized designee as  
19 identified in writing, as to content.

20                   (C) The County Counsel, or his or her duly authorized deputy, as to legal form.

21                   (D) The Auditor-Controller/Treasurer-Tax Collector (AC/TTC), or his or her duly  
22 authorized deputy, as to accounting form

23           1.3    **Unauthorized Documents Are Nonbinding on County.** Any document that seeks  
24 to legally bind the County that does not bear all four (4) signatures specified in the Section  
25 above is unauthorized and nonbinding on the County.

26           1.4    **Prohibition on Use of Unauthorized County’s Signature by Owner.** Owner shall  
27 not utilize any instance of County’s signatures not specifically executed for that purpose, nor  
28 seek to use a signature from lower-level County staff, to execute any recorded or legally-binding

1 document.

2 1.5 **Authorized Documents.** The limited delegation of the County's authority to bind the  
3 County to the terms of the document under this Article is limited to the following document  
4 types:

5 (A) This Agreement;

6 (B) All Loan Documents and Security Instruments associated with this Agreement;

7 (C) Subordination documents, pursuant to the Subordination clause of Exhibit A,  
8 solely in order to facilitate the placement of permanent financing, and only within two  
9 years of the Certificate of Occupancy date;

10 (D) Other documents necessary to complete the Project; and

11 (E) Any amendments thereto, as may be necessary from time to time over the full  
12 term of this Agreement, as specified in the Section below.

13 1.6 **Amendments to Authorized Documents.** Changes in Project circumstances  
14 frequently occur that require a quick response from the County, otherwise the project or its  
15 financing may fail. In such cases, where the County's response is time-sensitive, the Authorized  
16 Signatories specified above are hereby authorized, but not required, to consent to the following  
17 matters in the name of the County, only when (1) the Project remains eligible and qualified  
18 under the guidelines of the County's funding sources and (2) there is no increase to the total  
19 amount of funding provided to the Project:

20 (A) Changes to Exhibits to this Agreement that do not substantively alter the terms of  
21 the Agreement or substantively alter the scope of the Project;

22 (B) Non-substantive changes to the scope of the Project;

23 (C) Changes of funding sources from those specific other entities named in Exhibit  
24 C; and

25 (D) Changes of the specific dollar amounts set forth in Exhibit C coming from other  
26 entities, or the total thereof, provided the total funds coming from the County under this  
27 Agreement do not increase, and further provided that the Project remains viable and is  
28 fully funded.

1 1.7 Authority of County Staff to

2 (A) **Lender's Estoppel Certificates.** Lender's Estoppel Certificates, which confirm  
3 the County has not sent any Notice of Default to Owner for the Project and which also  
4 confirm the status of the Owner's debt to the County to a third-party lender who has  
5 provided funding to the Project, the details of which are based upon the status of specific  
6 payments the County has provided to the Owner and may not yet reflect the full funding  
7 amount.

8 (1) Staff shall use the following language with Lender's Estoppel Certificates if  
9 the maximum compensation has not been provided to Owner as of the date of the  
10 Lender's Estoppel Certificate: "As of the date of this Certificate, the outstanding  
11 principal balance of the Loan is [\$]. However, the parties acknowledge that an  
12 additional disbursement of [\$], representing [e.g. undrawn funding, retention held by  
13 Lender] is scheduled to be funded upon completion of [e.g. Project Milestone, Project  
14 Closeout]. Upon disbursement of those funds by the Lender to or for the benefit of  
15 the Borrower, the outstanding principal balance shall automatically increase to [\$],  
16 plus any accrued and unpaid interest thereon."

17 (2) If Community Development Division staff cannot certify no knowledge that  
18 any breach or default exists for the Project

19 (B) **Debt Confirmations.** Annual information requests coming from Certified Public  
20 Accountants, or similar, seeking confirmation of the status of the Owner's debt to the  
21 County, which is held in a proprietary system with limited access.