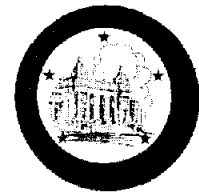


**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE  
REDEVELOPMENT AGENCY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

688



**FROM:** Redevelopment Agency

**SUBMITTAL DATE:**  
August 4, 2011

**SUBJECT:** Agreement by and between the Redevelopment Agency for the County of Riverside and Pueblo Unido Community Development Corporation

**RECOMMENDED MOTION:** That the Board of Directors:

1. Approve the Agreement (agreement) by and between the Redevelopment Agency for the County of Riverside (agency) and Pueblo Unido Community Development Corporation (PUCDC), a California non-profit public benefit corporation;
2. Authorize the Chairman of the Board to execute the attached agreement; and
3. Authorize the Executive Director, or designee, to take all necessary steps to implement this agreement, including, but not limited to signing subsequent essential and relevant documents.

**BACKGROUND:** (Commences on Page 2)

Robert Field  
Executive Director

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

**COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA:** No

<b>SOURCE OF FUNDS:</b> Redevelopment Low and Moderate-Income Housing	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE

**County Executive Office Signature**   
BY: Jennifer L. Sargent

FORM APPROVED COUNTY COUNSEL  
BY: ANITA C. WILLIS  
DATE: 8/22/11  
Departmental Concurrence

Dep't Recomm.:  Consent  Policy  Policy   
Per Exec. Ofc.:  Consent  Policy

**Prev. Agn. Ref.:** N/A      **District:** 4      **Agenda Number:** 4.8

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

**BACKGROUND:** The agency has identified a need to provide financial assistance to owners of unpermitted mobile home parks. These unpermitted mobile home parks are located within the unincorporated areas of Riverside County or in the agency Redevelopment Project Areas and have historically existed as agricultural housing facilities for farmworkers and their families. Although these unpermitted mobile home parks mainly exist as a form of affordable housing for farmworkers and their families, they are often unhealthy and pose unsafe living conditions.

The owners of these unpermitted mobile home parks often desire to rehabilitate their unpermitted mobile home park, however, the owners of these parks typically lack the experience and knowledge with the construction and permitting process involved with the rehabilitation of these parks. Additionally, the mobile home park owners are often not financially prepared to carry out the full scope of rehabilitation.

In an effort to provide project management and financial assistance to the owners of these unpermitted mobile home parks, the agency and PUCDC have agreed to enter into an agreement. The agreement provides an avenue for PUCDC to offer financial opportunities and provide the procedural and technical services to mobile home park owners who want to rehabilitate their park. Additionally, PUCDC will provide the project management necessary for the construction and completion of each project, thereby significantly reducing problems that have previously occurred with the rehabilitation of the unpermitted mobile home parks. The agreement further identifies PUCDC as the lead and project manager for these projects. It also lays the groundwork that is necessary to ensure that the rehabilitation that is required of these parks is achieved in a professional, timely and diligent manner. The combination of services that PUCDC is proposing to provide will ensure that each project receives a certificate of occupancy issued by the Riverside County Transportation and Land Management Agency.

Under the agreement, PUCDC will submit an application, provide a proposal, and request an agency loan to the park owner, for the rehabilitation of the unpermitted mobile home park. The fee that PUCDC will earn for project management for the rehabilitation of the unpermitted mobile home park will be paid out of the agency loan to the park owner. Loan amounts to property owners will be determined on a case by case basis on each of the project proposals. Each application submitted by PUCDC for the rehabilitation of an unpermitted mobile home park will be reviewed and evaluated by staff and will go to the board for final approval.

Agency counsel has reviewed and approved the attached agreement. Staff recommends that the board approve the attached documents.

**FINANCIAL DATA:**

Not Applicable

**Attachments:**

Agreement by and between the Redevelopment Agency for the County of Riverside and Pueblo Unido Community Development Corporation

1 **AGREEMENT BY AND BETWEEN**  
2 **THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE AND**  
3 **PUEBLO UNIDO COMMUNITY DEVELOPMENT CORPORATION**

4 This Agreement (“Agreement”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 2011  
5 (“Effective Date”), by and between the Redevelopment Agency for the County of Riverside  
6 (“AGENCY”), a public body, corporate and politic and Pueblo Unido Community  
7 Development Corporation (“PUCDC”), a California nonprofit public benefit organization.

8  
9 **RECITALS**

10 WHEREAS, AGENCY is a redevelopment agency duly created, established and  
11 authorized to transact business and exercise its powers, all under and pursuant to the provisions  
12 of the California Community Redevelopment Law (“CRL”), which is Part 1 of Division 24 of  
13 the California Health and Safety Code (commencing with Section 33000 et seq.); and

14 WHEREAS, AGENCY has identified a need to provide financing to the owners of  
15 unpermitted mobile home parks for the rehabilitation of such mobile home parks, located  
16 within the Eastern Coachella Valley; and

17 WHEREAS, the financing provided by the AGENCY is for the purpose of increasing,  
18 improving and preserving the community’s supply of low and moderate income housing  
19 available at affordable housing cost to persons and families of low or moderate income, and

20 WHEREAS, PUCDC is in the business of developing and providing affordable housing  
21 opportunities to the Low, Very-Low and Extremely-Low Income households; and

22 WHEREAS, PUCDC has established financing programs to be used in combination with  
23 AGENCY funds for the rehabilitation of unpermitted mobile home parks; and

24 WHEREAS, PUCDC proposes to provide loan origination and project management  
25 services for the rehabilitation of mobile home parks located within the Eastern Coachella Valley;  
26 and

27 WHEREAS, PUCDC has represented that it has the necessary expertise, skill, and ability  
28 to carry out the commitments contained in this Agreement; and

1 WHEREAS, AGENCY proposes to provide loans to property owners to finance the  
2 rehabilitation of existing unpermitted mobile home parks that shall be comprised of a minimum  
3 of five (5) mobile home spaces and a maximum of twelve (12) mobile home spaces for rent and  
4 where such properties are located within the unincorporated areas of the County of Riverside,  
5 and/or within the AGENCY Redevelopment Project Areas, and are located outside of fee land;  
6 and

7 WHEREAS, AGENCY loan amounts to the property owners will be determined on a  
8 case by case basis based on each of the project proposals and AGENCY loan applications  
9 submitted by PUCDC to AGENCY; and

10 WHEREAS, PUCDC and AGENCY desire to enter into this Agreement for the purpose  
11 of cooperating together to maximize the financial opportunities available to mobile home park  
12 owners for the rehabilitation of unpermitted mobile home parks.

13 NOW, THEREFORE, in consideration of the mutual understanding provided  
14 herein, the parties hereto execute this Agreement based upon the following terms and  
15 conditions:

16 1) TERM. The term of this Agreement shall be for thirty-six (36) months  
17 from the Effective Date.

18 2) PURPOSE. The purpose of this Agreement is to set forth the cooperative  
19 efforts between PUCDC and AGENCY, which will facilitate the rehabilitation of unpermitted  
20 mobile home parks in the Eastern Coachella Valley of Riverside County (“Project”).

21 3) PUCDC’S ROLE AND RESPONSIBILITIES:

22 a. Agency Loan Application Assistance. Within thirty (30) days of  
23 the Effective Date, PUCDC shall establish a written procedure,  
24 with written approval by AGENCY, setting forth how PUCDC  
25 will assist the mobile home park owners in submitting an  
26 AGENCY loan application (“Loan Application”) for the  
27 rehabilitation of mobile home parks located within the Eastern  
28 Coachella Valley. The procedures shall include how PUCDC will

1 determine which mobile home park owners will receive assistance  
2 from PUCDC in submitting the Loan Application.

3 b. Pre-Development Assistance. As part of the Loan Application  
4 process, PUCDC shall, at no cost to the AGENCY, assist the  
5 mobile home parks owners with all necessary pre-development  
6 assistance to comply with all federal, state and local laws,  
7 regulations and ordinances as they may be applicable.

8 c. Record Retention. PUCDC shall maintain records for each Loan  
9 Application it provides assistance on and any record related to  
10 mobile home parks that applied to PUCDC for assistance but did  
11 not receive it. Such records shall be maintained for a minimum of  
12 three years.

13 d. AGENCY Loan Application Waiting List. PUCDC shall  
14 maintain a waiting list and/or log of mobile home park owners  
15 that request assistance from PUCDC in completing the Loan  
16 Application in connection with the rehabilitation of their existing  
17 unpermitted mobile home park.

18 e. AGENCY Loan Application Submittal. PUCDC shall complete  
19 and submit, on behalf of the mobile home park owner, to  
20 AGENCY the Loan Application which includes the following  
21 information:

22 i. Project proposal

23 ii. Construction timeline for Project

24 iii. Management plan for Project

25 iv. Budget for Project

26 v. Description of use of funds for Project

27 vi. Description of PUCDC Project Management Fee

28 f. Project Approval and Agreement. In the event the submitted

1 Loan Application is approved by AGENCY, PUCDC shall enter  
2 into a separate Project Agreement (“Project Agreement”) prior to  
3 the construction of the proposed Project. Project Agreement with  
4 the mobile home park owner shall set forth the terms of the loan  
5 and responsibilities of the parties as it relates to the construction  
6 of the proposed Project. The Project Agreement will only become  
7 effective after if it has been considered and approved by the  
8 AGENCY.

9 i. AGENCY Loan Draw Requests. The Project Agreement  
10 shall contain provisions that allow PUCDC to submit  
11 reimbursement requests to the AGENCY. The requests  
12 shall include copies of all supporting documentation, such  
13 as invoices, cancelled checks and a certification by an  
14 authorized representative of PUCDC specifying that the  
15 request is for work performed in accordance with the  
16 approved Project Agreement.

17 ii. PUCDC Project Management Fee. AGENCY shall  
18 include a PUCDC Project Management Fee (PUCDC Fee)  
19 provision within the Project Agreement for each Project.  
20 The provision shall include the following language:

- 21 a. The PUCDC Fee will be based on the required work  
22 for each Project, but shall not exceed fifteen (15%) of  
23 the total construction hard costs of the Project and  
24 shall be paid through the Project agreement with the  
25 mobile home park owner; and  
26 b. AGENCY shall release forty percent (40%) of the  
27 PUCDC Fee at fifty percent (50%) of certified project  
28 completion, an additional fifty percent (50%) at

1 receipt of certificate of occupancy issued by Riverside  
2 County Transportation and Land Management  
3 Agency; and

4 c. The final ten percent (10%) shall be released at final  
5 draw down of AGENCY funds following receipts of  
6 unconditional lien release from all contractors and  
7 after the date on which a Notice of Completion has  
8 been recorded and filed with the AGENCY and  
9 submission of Project completion report and final  
10 sources and uses of funds and approved by AGENCY.

11 g. Project Management. For each approved Project Agreement,  
12 PUCDC shall provide complete project management services for  
13 each of the approved Projects. These services include, but are not  
14 limited to, the following:

15 i. Management of the design of each Project as approved by  
16 the AGENCY. Should AGENCY adopt Mobile Home  
17 Park Development Standards (“MHP Design Guidelines”),  
18 PUCDC is to incorporate the MHP Design Guidelines in  
19 the design of each Project. Prior to the full adoption of the  
20 MHP Design Guidelines by AGENCY, PUCDC shall  
21 incorporate, to the extent feasible, the requirements  
22 outlined in the MHP Design Guidelines in the  
23 development of each Project.

24 ii. Supervision and management of the entire construction  
25 and/or rehabilitation process of each Project.

26 iii. Supervision and management of the entitlement and  
27 permitting process of each Project that shall include the  
28 achievement of a certificate of occupancy issued by the

1 Riverside County Transportation Land Management  
2 Agency.

3 iv. On or before the 15<sup>th</sup> of each month PUCDC will provide  
4 a written report to the AGENCY reporting the status and  
5 progress of each Project in process. Such report shall also  
6 include information on the status of Projects that are on  
7 the established waiting list and maintained by PUCDC.

8 v. Any services as determined necessary by the AGENCY  
9 for the progression or completion of the Project.

10 h. Progress Reports. As reasonably requested by AGENCY,  
11 PUCDC agrees to make oral and written progress reports advising  
12 AGENCY on all matters related to the Loan Application and  
13 proposed Projects.

14 4) AGENCY'S ROLE AND RESPONSIBILITIES.

15 a. AGENCY Loan Applications. AGENCY shall review the Loan  
16 Applications submitted by PUCDC for the individual Projects.

17 b. Loan Documentation. Upon AGENCY's approval of the Loan  
18 Application, AGENCY shall prepare the appropriate loan  
19 documentation as required for the Project.

20 c. Submittal to Board of Directors. In a timely manner, as  
21 determined by AGENCY, AGENCY shall prepare and submit the  
22 Project Agreement to the Board of Directors for consideration.

23 d. Document Recording. In the event the Project Agreement is  
24 approved, AGENCY shall ensure complete and proper execution  
25 and recordation of such documents.

26 e. Final Project Payment. Final Project payment will be processed  
27 when the all the following occur:

28 i. construction of the Project is complete; and



- 1                   ii. the Project is approved by the AGENCY; and
- 2                   iii. a certificate of occupancy is received for the Project from
- 3                   the Riverside County Transportation Land Management
- 4                   Agency.
- 5                   iv. Approval from AGENCY of all submittals for completion
- 6                   of the Project.

7                   f. Agency Cooperation. AGENCY agrees to cooperate with

8                   PUCDC to provide appropriate information, if available and not

9                   otherwise privileged, to facilitate exploration of financing for the

10                  proposed projects. AGENCY shall also cooperate with

11                  PUCDC'S professional consultants and associates to provide

12                  them with any information and assistance reasonably within the

13                  capacity of AGENCY to provide in connection with the

14                  entitlement process pursuant to this Agreement or as required by

15                  state and local laws and regulations.

16                  5) PROJECT COST ESTIMATE. PUCDC anticipates that the

17                  rehabilitation for a typical "Polanco" Project will be approximately Two Hundred Eighty

18                  Thousand Dollars (\$280,000). This estimate assumes that at the minimum the rehabilitation of

19                  each Project will include the following and will be subject to final approval by the AGENCY;

- 20                  a. Upgrades to and/or replacement of the electrical, water, septic and
- 21                  fire suppression systems.
- 22                  b. Permanent all weather roadway.
- 23                  c. Telephone line conduit.
- 24                  d. Common area and individual lot landscaping.
- 25                  e. Perimeter and interior fencing
- 26                  f. Interior lighting.
- 27                  g. Proper signage.

28                  6) PROJECT FINANCIAL CONTRIBUTION. PUCDC agrees to seek and

1 utilize other sources of funding to contribute to the overall budget of each Project. Each  
2 Project requesting AGENCY financing shall be reviewed on a case by case. Commencement  
3 of the rehabilitation of each Project shall not begin unless the AGENCY Board of Directors has  
4 approved the Project Agreement and agreed to allocate funds for the Project. Additionally, the  
5 following is a breakdown of the funds that each party associated with a Project is expected to  
6 contribute:

- 7 a. Mobile Home Park Owner- Contribution to the Project will  
8 include an amount as determined by PUCDC that may include all  
9 expenses associated with the predevelopment of the Project and  
10 may include engineering, geotechnical and applicable permit fees  
11 associated with the project.
- 12 b. AGENCY- Contribution to each Project will be a maximum  
13 amount of Two Hundred Fifty Thousand Dollars (\$250,000),  
14 which includes the PUCDC Fee. Each request for funding,  
15 including any request in excess of \$250,000, will be reviewed on  
16 a case by case basis by AGENCY. Each request submitted by  
17 PUCDC for AGENCY funds is subject to approval by the  
18 AGENCY Board of Directors and subject to the availability of  
19 AGENCY funds at the time of submittal. The PUCDC Fee shall  
20 not exceed (15%) of the total construction hard costs per project.
- 21 c. PUCDC - Contribution to the project will be in an amount  
22 required to fill the financial gap left between the maximum Two  
23 Hundred Fifty Thousand Dollars (\$250,000) contribution made by  
24 the AGENCY and the Two Hundred and Eighty Thousand  
25 (\$280,000) maximum amount anticipated by PUCDC per project.

26 7) AFFORDABILITY PERIOD. Each project will have a fifty five (55)  
27 year affordability covenant recorded against the property to ensure affordability.

28 8) NONDISCRIMINATION. PUCDC covenants by and for itself and any

1 successors in interest that there shall be no discrimination against or segregation of any person  
2 or group of persons on account of race, color, age, religious creed, sex, sexual orientation,  
3 marital status, national origin, ancestry, familial status, source of income, physical disability,  
4 mental disability, or medical condition, in the sale, lease, sublease, transfer, use, occupancy,  
5 tenure or enjoyment of real property, nor shall PUCDC itself or any person claiming under or  
6 through it establish or permit any such practice or practices of discrimination or segregation  
7 with reference to the election, location, number, use or occupancy of tenants, lessees,  
8 subtenants, sublessees or vendees of the real property. The foregoing covenants shall run with  
9 the land. PUCDC shall refrain from restricting the sale of the real property on the basis of race,  
10 color, age, religious creed, sex, sexual orientation, marital status, national origin, ancestry,  
11 familial status, source of income, physical or mental disability of any person. All such deeds,  
12 leases or contracts shall contain or be subject to substantially the following nondiscrimination or  
13 no segregation clauses:

- 14 a. **In deeds:** “The grantee herein covenants by and for himself for  
15 herself, his or her heirs, executors, administrators and assigns, and  
16 all persons claiming under or through them that there shall be no  
17 discrimination against or segregation of any person, or group of  
18 persons, on account of race, color, age, religious creed, sex, sexual  
19 orientation, marital status, national origin, ancestry, familial status,  
20 source of income, physical or mental disability in the sale, lease,  
21 sublease, transfer, use, occupancy, tenure or enjoyment of the land  
22 herein conveyed, nor shall the grantee himself or herself nor any  
23 person claiming under or through him or her establish or permit  
24 any such practice or practices of discrimination or segregation with  
25 reference to the selection, location, numbers use or occupancy of  
26 tenants, lessees, subtenants, sublessees or vendees in the land  
27 herein conveyed. The foregoing covenants shall run with the  
28 land.”

1                   b. **In leases:** “The lessee herein covenants by and for himself or  
2                   herself, his or her heirs, executors, administrators, and assigns, and  
3                   all persons claiming under or through him or her, and this lease is  
4                   made and accepted upon and subject to the following conditions:  
5                   There shall be no discrimination against or segregation of any  
6                   person or group of persons on account of race, color, age, religious  
7                   creed, sex, sexual orientation, marital status, national origin,  
8                   ancestry, familial status, source of income, physical or mental  
9                   disability in the leasing, subleasing, transferring, use, occupancy,  
10                  tenure or enjoyment of the premises herein leased nor shall the  
11                  lessee himself or herself, or any person claiming under or through  
12                  him or her, establish or permit any such practice or practices of  
13                  discrimination or segregation with reference to the selection,  
14                  location, number, use or occupancy of tenants, lessees, sublessees,  
15                  subtenants or vendees in the premises herein leased.”

16                  c. **In contracts:** “There shall be no discrimination against or  
17                  segregation of any person or group of persons on account of race,  
18                  color, age, religious creed, sex, sexual orientation, marital status,  
19                  national origin, ancestry, familial status, source of income,  
20                  physical or mental disability in the sale, lease, sublease, transfer,  
21                  use, occupancy, tenure or enjoyment of the premises, nor shall the  
22                  transferee himself or herself or any person claiming under or  
23                  through him or her, establish or permit any such practice or  
24                  practices of discrimination or segregation with reference to the  
25                  selection, location, number, use, or occupancy of tenants, lessees,  
26                  subtenants, sublessees or vendees of the premises.”

27                  9)     ENVIRONMENTAL REQUIREMENTS. Certain state and local  
28     environmental requirements (including, but without limitation, the California Environmental

1 Quality Act of 1970, the Public Resources Code Section 21000, et seq.) may be applicable to a  
2 project and therefore, the parties agree to cooperate with each other in the preparation and  
3 certification of required documents.

4 10) AMENDMENT. This Agreement may only be amended by the written  
5 consent of all the parties to this Agreement at the time of such amendment.

6 11) TERMINATION OF AGREEMENT. Failure by either party to perform  
7 any of its duties as provided in this Agreement shall constitute an event of default hereunder.  
8 The non-defaulting party shall give written notice of default to the defaulting party, specifying  
9 the nature of the default and the action required to cure the default. If the default remains  
10 uncured fifteen (15) days after service of such notice, the non-defaulting party may terminate  
11 this Agreement. Upon termination of Agreement, PUCDC shall have no further rights  
12 regarding the subject matter hereof unless AGENCY and PUCDC mutually agree, in writing,  
13 to extend the term hereof. In the event this Agreement is terminated, AGENCY may negotiate  
14 with any other person or entity with respect to any aspect of the proposed projects.

15 12) REMEDIES FOR BREACH OF AGREEMENT. In the event of an  
16 uncured default by either party hereto, the non-defaulting party may terminate this Agreement  
17 and pursue any remedy allowed under law or equity.

18 13) PROHIBITION AGAINST ASSIGNMENT. The qualifications of  
19 PUCDC and its principals are of particular interest to AGENCY. Consequently, no person or  
20 entity, whether a voluntary or involuntary successor of PUCDC, shall acquire any rights or  
21 power under this Agreement, nor shall PUCDC assign all or any part of this Agreement  
22 without the prior written approval of AGENCY, which approval AGENCY may grant,  
23 withhold or deny in its sole and absolute discretion. Any purported transfer, voluntarily or by  
24 operation of law, shall be absolutely null and void and shall confer no rights whatsoever upon  
25 any purported assignee or transferee.

26 14) AUTHORITY TO EXECUTE. The persons executing this Agreement on  
27 behalf of the parties to this Agreement hereby warrant and represent that they have the  
28 authority to execute this Agreement and warrant and represent that they have the authority to

1 bind the respective parties to this Agreement to the performance of its obligations hereunder.

2 15) NOTICES. Any notice required or permitted under this Agreement shall  
3 be delivered to the following addresses:

4 AGENCY: Heidi Marshall, Assistant Director  
5 Redevelopment Agency for the County of Riverside  
6 3403 10<sup>th</sup> Street, Suite 500  
7 Riverside, CA 92501

8 PUCDC: Sergio Carranza, Executive Director  
9 Pueblo Unido CDC  
10 53040 Avenida Mendoza  
11 La Quinta, CA 92253

12 16) ENTIRE AGREEMENT. This Agreement constitutes the entire  
13 Agreement between the parties and supersedes all agreements, representation, warranties,  
14 statements, promised or understandings, whether oral or written, with respect to the subject  
15 matter hereof and no party shall be bound by any such representation, statement, promise or  
16 understanding not specifically set forth in this Agreement.

17 17) SEVERABILITY. In the event that any of the provisions, or portions  
18 thereof, of this Agreement are held to be unenforceable or invalid by any court of competent  
19 jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof,  
20 shall not be affected thereby.

21 18) TIME IS OF THE ESSENCE. Time is of the essence of every portion of  
22 this Agreement in which time is a material part. All services shall be rendered by PUCDC in a  
23 timely and diligent manner.

24 19) HOLD HARMLESS AND INDEMNIFICATION. PUCDC shall  
25 indemnify and hold harmless the AGENCY, the County of Riverside, its Agencies, Districts,  
26 Special Districts and Departments, their respective directors, officers, Board of Directors,  
27 elected and appointed officials, employees, agents and representatives from any liability  
28 whatsoever, based or asserted upon any services of PUCDC, its officers, employees,

1 subcontractors, agents or representatives arising out of or in any way relating to this  
2 Agreement, including but not limited to property damage, bodily injury, or death or any other  
3 element of any kind or nature whatsoever arising from the performance of PUCDC, its officers,  
4 agents, employees, subcontractors, agents or representatives from this Agreement. PUCDC  
5 shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees,  
6 cost of investigation, defense and settlements or awards, the Redevelopment Agency for the  
7 County of Riverside, the County of Riverside, its Agencies, Districts, Special Districts and  
8 Departments, their respective directors, officers, Board of Directors, elected and appointed  
9 officials, employees, agents and representatives in any claim or action based upon such alleged  
10 acts or omissions.

11 With respect to any action or claim subject to indemnification herein by PUCDC,  
12 PUCDC shall, at their sole cost, have the right to use counsel of their own choice and shall have  
13 the right to adjust, settle, or compromise any such action or claim without the prior consent of  
14 AGENCY; provided, however, that any such adjustment, settlement or compromise in no  
15 manner whatsoever limits or circumscribes PUCDC'S indemnification to AGENCY as set forth  
16 herein.

17 PUCDC'S obligation hereunder shall be satisfied when PUCDC has provided to  
18 AGENCY the appropriate form of dismissal relieving the Indemnified Parties from any liability  
19 for the action or claim involved.

20 The specified insurance limits required in this Agreement shall in no way limit or  
21 circumscribe PUCDC'S obligations to indemnify and hold harmless the Indemnified Parties  
22 herein from third party claims.

23 In the event there is conflict between this clause and California Civil Code Section 2782,  
24 this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not  
25 relieve the PUCDC from indemnifying the Indemnified Parties to the fullest extent allowed by  
26 law.

27 20) INSURANCE. Without limiting or diminishing the PUCDC'S obligation  
28 to indemnify or hold the AGENCY harmless, PUCDC shall procure and maintain or cause to

1 be maintained, at its sole cost and expense, the following insurance coverage's during the term  
2 of this Agreement.

3 a. Worker's Compensation Insurance.

4 If PUCDC has employees as defined by the State of California,  
5 the PUCDC shall maintain statutory Workers' Compensation  
6 Insurance (Coverage A) as prescribed by the laws of the State of  
7 California. Policy shall include Employers' Liability (Coverage  
8 B) including Occupational Disease with limits not less than  
9 \$1,000,000 per person per accident. The policy shall be endorsed  
10 to waive subrogation in favor of the AGENCY, and, if applicable,  
11 to provide a Borrowed Servant/Alternate Employer Endorsement.

12 b. Commercial General Liability Insurance.

13 Commercial General Liability insurance coverage, including but  
14 not limited to, premises liability, contractual liability, products  
15 and completed operations liability, personal and advertising  
16 injury, and cross liability coverage, covering claims which may  
17 arise from or out of PUCDC'S performance of its obligations  
18 hereunder. Policy shall name AGENCY, the County of Riverside,  
19 the Agencies, Districts, Special Districts, Departments of the  
20 County of Riverside and their respective directors, officers, Board  
21 of Supervisors, employees, elected or appointed officials, agents  
22 or representatives as Additional Insureds. Policy's limit of  
23 liability shall not be less than \$1,000,000 per occurrence  
24 combined single limit. If such insurance contains a general  
25 aggregate limit, it shall apply separately to this Agreement or be  
26 no less than two (2) times the occurrence limit.

27 c. Vehicle Liability Insurance.

28 If vehicles or mobile equipment are used in the performance of



1 the obligations under this Agreement, then PUCDC shall maintain  
2 liability insurance for all owned, non-owned or hired vehicles so  
3 used in an amount not less than \$1,000,000 per occurrence  
4 combined single limit. If such insurance contains a general  
5 aggregate limit, it shall apply separately to this Agreement or be  
6 no less than two (2) times the occurrence limit. Policy shall name  
7 AGENCY, the County of Riverside, the Agencies, Districts,  
8 Special Districts, Departments of the County of Riverside and  
9 their respective directors, officers, Board of Supervisors,  
10 employees, elected or appointed officials, agents or  
11 representatives as Additional Insured.

12 d. General Insurance Provisions – All Lines.

13 i. Any insurance carrier providing insurance coverage  
14 hereunder shall be admitted to the State of California and  
15 have an A M BEST rating of not less than A: VIII (A:8)  
16 unless such requirements are waived, in writing, by the  
17 AGENCY Risk Manager. If the AGENCY's Risk Manager  
18 waives a requirement for a particular insurer such waiver is  
19 only valid for that specific insurer and only for one policy  
20 term.

21 ii. PUCDC'S insurance carrier(s) must declare its insurance  
22 self-insured retentions. If such self-insured retentions exceed  
23 \$500,000 per occurrence such retentions shall have the prior  
24 written consent of the AGENCY Risk Manager before the  
25 commencement of operations under this Agreement. Upon  
26 notification of self insured retention unacceptable to the  
27 AGENCY, and at the election of the AGENCY's Risk  
28 Manager, PUCDC'S carriers shall either; (a) reduce or

1 eliminate such self-insured retention as respects this  
2 Agreement with the AGENCY, or (b) procure a bond which  
3 guarantees payment of losses and related investigations,  
4 claims administration, and defense costs and expenses.

5 iii. PUCDC shall cause PUCDC'S insurance carrier(s) to  
6 furnish the AGENCY with either 1) a properly executed  
7 original Certificate(s) of Insurance and certified original  
8 copies of Endorsements effecting coverage as required  
9 herein, and 2) if requested to do so orally or in writing by  
10 the AGENCY Risk Manager, provide original Certified  
11 copies of policies including all Endorsements and all  
12 attachments thereto, showing such insurance is in full force  
13 and effect. Further, said Certificate(s) and policies of  
14 insurance shall contain the covenant of the insurance  
15 carrier(s) that thirty (30) days written notice shall be given  
16 to the AGENCY prior to any material modification,  
17 cancellation, expiration or reduction in coverage of such  
18 insurance. In the event of a material modification,  
19 cancellation, expiration, or reduction in coverage, this  
20 Agreement shall terminate forthwith, unless the AGENCY  
21 receives, prior to such effective date, another properly  
22 executed original Certificate of Insurance and original  
23 copies of endorsements or certified original policies,  
24 including all endorsements and attachments thereto  
25 evidencing coverage's set forth herein and the insurance  
26 required herein is in full force and effect. PUCDC shall not  
27 commence operations until the AGENCY has been  
28 furnished original Certificate (s) of Insurance and certified

1 original copies of endorsements and if requested, certified  
2 original policies of insurance including all endorsements and  
3 any and all other attachments as required in this Section. An  
4 individual authorized by the insurance carrier to do so on its  
5 behalf shall sign the original endorsements for each policy  
6 and the Certificate of Insurance.

7 iv. It is understood and agreed to by the parties hereto that  
8 PUCDC'S insurance shall be construed as primary  
9 insurance, and the AGENCY'S insurance and/or deductibles  
10 and/or self-insured retention's or self-insured programs shall  
11 not be construed as contributory.

12 v. If, during the term of this Agreement or any extension  
13 thereof, there is a material change in the scope of services;  
14 or, there is a material change in the equipment to be used in  
15 the performance of the scope of work which will add  
16 additional exposures (such as the use of aircraft, watercraft,  
17 cranes, etc.); or, the term of this Agreement, including any  
18 extensions thereof, exceeds five (5) years the AGENCY  
19 reserves the right to adjust the types of insurance required  
20 under this Agreement and the monetary limits of liability for  
21 the insurance coverage's currently required herein, if; in the  
22 AGENCY Risk Manager's reasonable judgment, the amount  
23 or type of insurance carried by PUCDC has become  
24 inadequate.

25 vi. PUCDC shall pass down the insurance obligations contained  
26 herein to all tiers of subcontractors working under this  
27 Agreement.

28 vii. The insurance requirements contained in this Agreement

1 may be met with a program(s) of self-insurance acceptable  
2 to the AGENCY.

3 viii. PUCDC agrees to notify AGENCY of any claim by a third  
4 party or any incident or event that may give rise to a claim  
5 arising from the performance of this Agreement.

6 21) INDEPENDENT CONTRACTOR. Neither AGENCY, nor any of its  
7 officers or employees, shall have any control over the conduct of PUCDC, or any of PUCDC'S  
8 employees. AGENCY shall have no voice in the selection, discharge, supervision or control of  
9 PUCDC'S employees, representatives or agents, or in fixing their number, compensation, or  
10 hours of service. PUCDC expressly warrants not to, at any time, or in any matter, represent that  
11 it, or any of its agents, servants or employees are in any manner agents, servants or employees  
12 of AGENCY. PUCDC is and shall at all times remain as to AGENCY a wholly independent  
13 contractor, and PUCDC'S obligations to AGENCY are solely such as are prescribed by this  
14 Agreement.

15 22) AGREEMENT DOES NOT CONSTITUTE PROJECT APPROVAL.  
16 AGENCY reserves final discretion and approval as to any affordable housing loan agreement,  
17 Project Agreement, development agreement or similar agreement and all proceedings and  
18 decisions in connection therewith. This Agreement shall not be construed as a covenant,  
19 promise, or commitment by AGENCY, by the County of Riverside or by any agency of the  
20 County of Riverside to finance the development of the Proposed Project. All plans for a  
21 proposed project, including, but not limited to, the financing plans and rehabilitation plans,  
22 shall be subject to the review and approval of the AGENCY Board of Directors and the County  
23 Board of Supervisors as necessary and required by law.

24 23) INTERPRETATION GOVERNING LAW. This Agreement and any  
25 dispute arising hereunder shall be governed by and interpreted in accordance with the laws of  
26 the State of California. This Agreement shall be construed as a whole according to its fair  
27 language and common meaning to achieve the objectives and purposes of the parties hereto,  
28 and the rule of construction to the effect that ambiguities are to be resolved against the drafting

1 party shall not be employed in interpreting this Agreement, all parties having been represented  
2 by counsel in the negotiation and preparation hereof.

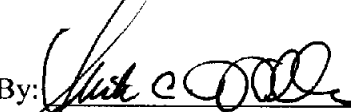
3 24) COUNTERPARTS. This Agreement may be signed by the different  
4 parties hereto in counterparts, each of which shall be an original but all of which together shall  
5 constitute one and the same agreement.

6  
7 IN WITNESS WHEREOF, AGENCY and PUCDC have executed this Agreement as of the date  
8 first above written.

9 “AGENCY”  
10 REDEVELOPMENT AGENCY FOR THE  
11 COUNTY OF RIVERSIDE, a public body,  
12 corporate and politic

13 By: \_\_\_\_\_  
14 Bob Buster, Chairman  
15 Board of Directors


15 APPROVED AS TO FORM:  
16 PAMELA J. WALLS  
17 Agency Counsel

18 By:  \_\_\_\_\_  
19 Anita C. Willis, Deputy

ATTEST:  
20 KECIA HARPER-IHEM  
21 Clerk of the Board

22 By: \_\_\_\_\_  
23 Deputy

24 “PUCDC”  
25 PUEBLO UNIDO COMMUNITY  
26 DEVELOPMENT CORPORATION

27 By:  \_\_\_\_\_  
28 Sergio Carranza  
Executive Director