

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Economic Development Agency

SUBMITTAL DATE:
November 17, 2010

SUBJECT: Agreement for Use of HOME Funds for the Security Deposit Assistance Program

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached agreement for use of HOME funds between the County of Riverside and the Housing Authority of the County of Riverside ;
2. Authorize the Chairman of the Board of Supervisors to execute said agreement; and
3. Authorize the Assistant County Executive Officer/EDA, 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)

RF Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 200,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: Yes

SOURCE OF FUNDS: Home Investment Partnerships Act (HOME) Grant Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Buster and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: November 30, 2010
 xc: EDA, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: N/A

District: ALL

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.36

VISUAL PRUEUES AFFRUVLLD
 ROBERTE. BYRD, AUDITOR-CONTROLLER
 BY: *Samuel Wong* 10/27/10
 SAMUEL WONG
 Departmental Controller
 DATE: 11-20-10
 ANITA C. WILLIS
 FORM APPROVED COUNTY COUNSEL
 BY: *Anita C. Willis* 11-20-10

705

BACKGROUND: The Housing Authority of the County of Riverside has requested \$200,000 to fund the Security Deposit Assistance (SDA) Program. The goal of the program is to remove the initial barrier that families encounter as they attempt to find a suitable, decent housing unit to rent.

The SDA Program is designed to provide a one-time grant to pay for the security deposit for very low-income families earning 50% of the area median income. The maximum grant per family is limited to the lesser of 50% of the actual total security deposit or half of the Section 8 contract rent. The applicants are limited to eligible participants who have recently been selected from the waiting list, have a Section 8 Voucher, and are in the process of finding a unit to rent. Existing Section 8 Voucher holders are also eligible if: the owner of the unit has selected to sell the property, the property is under foreclosure, or there is an unforeseen emergency condition that is through no fault of the family. It is anticipated that this program would benefit approximately 440 families at an average cost of \$450 per family.

County Counsel has reviewed and approved to form the attached agreement. Staff recommends that the Board of Supervisors approve the attached agreement.

1 **AGREEMENT FOR THE USE OF HOME FUNDS FOR**
2 **THE SECURITY DEPOSIT ASSISTANCE PROGRAM**

3 This Agreement is made and entered into this 30th day of November,
4 2010 by and between the COUNTY OF RIVERSIDE ("COUNTY"), a political subdivision
5 of the State of California and the HOUSING AUTHORITY OF THE COUNTY OF
6 RIVERSIDE ("AUTHORITY"), a public body, corporate and politic in the State of
7 California.

8 W I T N E S E T H:

9 **WHEREAS**, the Home Investment Partnership Act (HOME) Program,
10 which was enacted under Title II of the Cranston-Gonzalez National Affordable Housing
11 Act of 1990 (the "Act"), has as its purposes: to expand the supply of decent, affordable
12 housing for low- and very-low income families; to build State and local capacity to carry
13 out affordable housing programs; and to provide for coordinated assistance to
14 participants in the development of affordable low-income housing; and

15 **WHEREAS**, COUNTY has qualified as an "Urban County" for purposes of
16 receiving HOME funds which are to be used to assist and undertake essential housing
17 assistance activities pursuant to the Act; and

18 **WHEREAS**, AUTHORITY is eligible under the Act to apply and receive
19 HOME funds and to perform those activities described herein; and

20 **WHEREAS**, HOME-assisted activities described herein comply with the
21 objectives as required under 24 CFR Part 92; and

22 **WHEREAS**, HOME-assisted activities described herein are consistent
23 with COUNTY's Five-Year Consolidated Plan.

24 **NOW, THEREFORE**, COUNTY and AUTHORITY mutually agree as
25 follows:

26 1. **PURPOSE.** COUNTY has agreed to grant Two Hundred Thousand
27 Dollars (\$200,000) of HOME funds to AUTHORITY upon the terms and conditions set
28 forth herein for a Security Deposit Assistance Program (the "SDA Program"). All HOME

1 funds for the SDA Program will be used to provide security deposit assistance to very
2 low-income households that meet the eligibility requirements as identified in **Exhibit A**
3 which is attached hereto and by this reference incorporated herein.

4 2. AUTHORITY'S OBLIGATIONS: AUTHORITY hereby agrees to
5 undertake and complete the following activities, subject to its receipt of the HOME
6 funds:

- 7 a. Conduct all necessary due diligence, review and verification
8 needed to complete and submit to COUNTY the SDA
9 Program Application, as shown in **Exhibit B**, which is
10 attached hereto and by this reference incorporated herein.
- 11 b. Provide funding to eligible participants of the SDA Program,
12 perform move-in inspections and certify that the housing unit
13 meets Section 8 Housing Quality Standards prior to
14 approving the SDA Program application.
- 15 c. Operate the SDA Program within the area of the County of
16 Riverside.
- 17 d. Monitor the program to ensure compliance as AUTHORITY
18 under the applicable federal HOME regulations set forth at
19 24 CFR Part 92 and the terms of this Agreement.

20 3. COUNTY'S OBLIGATIONS: COUNTY hereby agrees to undertake
21 and complete the following activities, subject to its receipt of HOME funds from U.S.
22 Department of Housing and Urban Development:

- 23 a. Provide a total amount of HOME funds identified in Section 1
24 to AUTHORITY for financing of eligible participants of the
25 SDA Program.
- 26 b. Comply with all of its obligations as participating recipient
27 under the applicable regulations set forth at 24 CFR Part 92.

28 4. PRIOR COUNTY APPROVAL. AUTHORITY shall obtain

1 COUNTY's approval, through its Economic Development Agency ("EDA"), of all items
2 requiring such approvals as described in this Agreement.

3 5. TERM OF AGREEMENT. This Agreement shall become effective
4 upon the Effective Date, as defined in Section 36, and shall continue in full force and
5 effect for a period of five (5) years.

6 6. COMPLETION SCHEDULE. AUTHORITY shall proceed with all
7 activities under the SDA Program within the term of this Agreement.

8 7. EXTENSION OF TIME. COUNTY may grant an extension to the
9 completion schedule for the purpose of completing AUTHORITY's activities which
10 cannot be completed. AUTHORITY shall request said extension in writing, stating the
11 reasons therefore, and may be granted only by receiving written approval from
12 COUNTY, which approval shall not be unreasonably withheld. Every term, condition,
13 covenant, and requirement of this Agreement shall continue in full force and effect
14 during the period of any such extension.

15 8. LETTER TO PROCEED. AUTHORITY shall not initiate nor incur
16 expenses for the HOME funded activity covered under the terms of this Agreement prior
17 to receiving written authorization to proceed.

18 9. REALLOCATION OF FUNDS. If substantial progress toward
19 completion, as determined by COUNTY, of the activity is not made in accordance with
20 the completion schedule specified, the funds allocated, reserved, or placed in a HOME
21 Investment Trust Fund may be reallocated by COUNTY after at least sixty (60) days'
22 prior written notice is given to AUTHORITY.

23 10. CONDITIONS FOR DISPOSITION OF FUNDS. COUNTY, through
24 its EDA, shall: (1) make payments of the HOME funds to AUTHORITY as designated in
25 **Exhibit A**, and (2) monitor the SDA Program to ensure compliance with applicable
26 federal, state and local laws, regulations ordinances and the terms of this Agreement.

27 11. DISTRIBUTION OF FUNDS. The HOME Investment Trust Fund
28 account established in the United States Treasury is managed through the U.S.

1 Department of Housing and Urban Development (HUD), Integrated Disbursement and
2 Information System (IDIS) for the HOME Investment Partnerships Program. The IDIS
3 System is a computerized system which manages, disburses, collects, and reports
4 information on the use of HOME funds in the United States Treasury Account. Any
5 disbursement of funds is expressly conditioned upon the satisfaction of conditions set
6 forth in **Section 2** and **Section 10** and the satisfactory receipt of copies of the SDA
7 Program Application for each recipient. COUNTY shall pay AUTHORITY the sum
8 specified in **Section 1** above on a "cost-as-incurred" basis for all eligible approved costs
9 shown in **Exhibit A**.

10 12. FINANCIAL RECORDS. AUTHORITY shall maintain financial,
11 programmatic, statistical, and other supporting records of its operations and financial
12 activities in accordance with the requirements of the HOME Investment Partnerships
13 Program Final Rule, and the regulations as amended promulgated thereunder, which
14 records shall be open to inspection and audit by authorized representatives of
15 COUNTY, HUD, and the Comptroller General of the United States during regular
16 working hours. COUNTY, HUD, and the Comptroller General, or any of their
17 representatives, have the right of access to any pertinent books, documents, papers, or
18 other records of AUTHORITY, in order to make audits, examinations, excerpts, and
19 transcripts. Said records shall be retained for such time as may be required by the
20 regulations of the HOME Program, but in no case for less than five years after the SDA
21 Program completion date; except that records of individual income verifications, and
22 inspections must be retained for the most recent five year period, until five years after
23 the affordability period terminates. If any litigation, claim, negotiation, audit, or other
24 action has been started before the expiration of the regular period specified, the records
25 must be retained until completion of the action and resolution of all issues which arise
26 from it, or until the end of the regular period, whichever is later.

27 13. COMPLIANCE WITH LAWS AND REGULATIONS. By executing
28 this Agreement, AUTHORITY hereby certifies that it will adhere to and comply with all

1 federal, state and local laws and regulations, and in particular, with the following as they
2 may be applicable to AUTHORITY's use of funds granted pursuant to the HOME
3 Investment Partnerships Program as enacted under Title II of the Act:

4 a. The HOME Investment Partnership Program and its implementing
5 regulations set forth as 24 CFR Part 92, as it now exists and may
6 hereafter be amended.

7 b. Section 92.350 Other Federal requirements and non discrimination.
8 As set forth in 24 CFR part 5, sub part A, AUTHORITY is required
9 to include the following requirements in the SDA Program: non
10 discrimination and equal opportunity under Section 282 of the Act;
11 disclosure; debarred, suspended or ineligible contractors; and drug-
12 free workplace.

13 c. Section 92.351 Affirmative marketing and minority outreach
14 program. AUTHORITY must adopt affirmative marketing
15 procedures and requirements. These must include:

16 (1) Methods for informing the public, owners, and potential
17 tenants about Federal fair housing laws and the affirmative
18 marketing policy (e.g., the use of the Equal Housing
19 Opportunity logotype or slogan in press releases and
20 solicitations for owners, and written communication to fair
21 housing and other groups).

22 (2) Requirements and practices that AUTHORITY must adhere
23 to in order to carry out the affirmative marketing procedures
24 and requirements (e.g., use of commercial media, use of
25 community contacts, use of the Equal Housing Opportunity
26 logotype or slogan, and display of fair housing poster).

27 (3) Procedures to be used by AUTHORITY to inform and solicit
28 applications from persons in the housing market area who

1 are not likely to apply without special outreach (e.g., use of
2 community organizations, employment centers, fair housing
3 groups, or housing counseling agencies).

4 (4) Records that will be kept describing actions taken by
5 AUTHORITY to affirmatively market units and records to
6 assess the results of these actions.

7 (5) A description of how AUTHORITY will annually assess the
8 success of affirmative marketing actions and what corrective
9 actions will be taken where affirmative marketing
10 requirements are not met.

11 d. Section 92.352 Environmental review. The environmental effects of
12 each activity carried out with HOME funds must be assessed in
13 accordance with the provisions of the National Environmental
14 Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and the related
15 authorities listed in HUD's implementing regulations at 24 CFR
16 Parts 50 and 58.

17 e. Section 92.353 Displacement, relocation, and acquisition. The
18 relocation requirements of Title II and the acquisition requirements
19 of Title III of the Uniform Relocation Assistance and Real Property
20 Acquisition Policies Act of 1970, and the implementing regulations
21 at 24 CFR Part 42. AUTHORITY must ensure that it has taken all
22 reasonable steps to minimize the displacement of persons as a
23 result of the SDA Program assisted with HOME Funds.

24 f. Section 92.355 Lead-based paint. Housing assisted with HOME
25 funds is subject to the lead-based paint requirements of 24 CFR
26 Part 35 issued pursuant to the Lead-Based Paint Poisoning
27 Prevention Act (42 U.S.C. 4821, et seq.). The lead-based paint
28 provisions of 24 CFR 982.401 (j), except 24 CFR 982.401 (j)(1)(i),

1 also apply, irrespective of the applicable property standard under
2 §92.251.

3 g. Section 92.356 Conflict of Interest. In the procurement of property
4 and services by AUTHORITY, the conflict of interest provisions in
5 24 CFR 85.36 and 24 CFR 85.42, respectively shall apply. Section
6 92.356 shall cover all cases not governed by 24 CFR 85.36 and 24
7 CFR 84.42.

8 h. Section 3 of the Housing and Urban Development Act of 1968. To
9 the greatest extent feasible, opportunities for training and
10 employment arising from HOME Funds will be provided to low-
11 income persons residing in the program service area. To the
12 greatest extent feasible, contracts for work to be performed in
13 connection with HOME Funds will be awarded to business
14 concerns that are located in or owned by persons residing in the
15 program service area. Contracts funded from Section 3 covered
16 funding sources must abide by the Section 3 Clause prescribed at
17 24 CFR 135.38.

18 i. Section 92.358 Consultant Activities. No person providing
19 consultant services in an employer-employee type relationship shall
20 receive more than a reasonable rate of compensation for personal
21 services paid with HOME funds.

22 j. AUTHORITY shall carry out its activity pursuant to this Agreement
23 in compliance with all federal laws and regulations described in
24 Subpart E of Part 92 of the Code of Federal Regulations, except
25 that:

26 (1) AUTHORITY does not assume COUNTY'S environmental
27 responsibilities described at 24 CFR Part 92.352; and

28 (2) AUTHORITY does not assume COUNTY'S responsibility for

1 initiating the review process under the provisions of 24 CFR
2 Part 92.352.

3 k. Uniform Administrative Requirements of 24 CFR 92.505 Part 84
4 and 85 "Common Rule", OMB Circular Nos. A-87 (for government
5 entities), A-122 (for non-profit organizations), and the following
6 §§85.6, 85.12, 85.20, 85.22, 85.26, 85.32 through 85.34, 85.36,
7 85.44, 85.51 and 85.52 (for government entities), and the following
8 §§84.2, 84.5, 84.13 through 84.16, 84.21, 84.22, 84.26 through
9 84.28, 84.30, 84.31, 84.34 through 84.37, 84.40 through 84.48,
10 84.51, 84.60 through 84.62, 84.72, and 84.73 (for non-profit
11 organizations).

12 14. INCOME TARGETING REQUIREMENTS. AUTHORITY will
13 provide loan to eligible participants of the SDA Program for very low-income households
14 whose incomes do not exceed fifty percent (50%) median family income for Riverside
15 County, adjusted by family size, at the time of occupancy.

16 15. FEDERAL REQUIREMENTS. AUTHORITY shall comply with the
17 provisions of the Act and any amendments thereto and the federal regulations and
18 guidelines now or hereafter enacted pursuant to the Act.

19 16. REPAYMENT INCOME. COUNTY must record the receipt and
20 expenditure of HOME repayment income in accordance with the standards specified in
21 24 CFR 92.503.

22 17. NONDISCRIMINATION. AUTHORITY shall abide by §570.601 and
23 §570.912 of Title 24 of the Federal Code of Regulations, which require that no person in
24 the United States shall, on the grounds of race, color, religion, national origin, or sex, be
25 excluded from participation in, be denied the benefits of, or be subjected to
26 discrimination under any program or activity funded in whole or in part with Community
27 Development funds.

28 18. PROHIBITION AGAINST CONFLICTS OF INTEREST

- 1 a. AUTHORITY and its assigns, employees, agents,
2 consultants, officers and elected and appointed officials shall
3 become familiar with and shall comply with the conflict of
4 interest provisions in OMB Circular A-110, 24 CFR 85.36, 24
5 CFR 84.42, 24 CFR 92.356 and Policy Manual #A-11,
6 attached hereto as Exhibit "C" and by this reference
7 incorporated herein.
- 8 b. AUTHORITY understands and agrees that no waiver or
9 exception can be granted to the prohibition against conflict of
10 interest except upon written approval of HUD pursuant to 24
11 CFR 92.356(d). Any request by AUTHORITY for an
12 exception shall first be reviewed by COUNTY to determine
13 whether such request is appropriate for submission to HUD.
14 In determining whether such request is appropriate for
15 submission to HUD, COUNTY will consider the factors listed
16 in 24 CFR 92.356(e).
- 17 c. Prior to any funding under this Agreement, AUTHORITY
18 shall provide COUNTY with a list of all employees, agents,
19 consultants, officers and elected and appointed officials who
20 are in a position to participate in a decision-making process,
21 exercise any functions or responsibilities, or gain inside
22 information with respect to the HOME activities funded under
23 this Agreement. AUTHORITY shall also promptly disclose to
24 COUNTY any potential conflict, including even the
25 appearance of conflict that may arise with respect to the
26 HOME activities funded under this Agreement.
- 27 d. Any violation of this section shall be deemed a material
28 breach of this Agreement, and the Agreement shall be

1 immediately terminated by COUNTY.

2 19. RELIGIOUS ACTIVITIES. Under federal regulations, 24 CFR
3 92.257 HOME funds may not be provided to primarily religious organizations, such as
4 churches, for any activity including secular activities. In addition, HOME funds may not
5 be used to rehabilitate or construct housing owned by primarily religious organizations
6 or to assist primarily religious organizations in acquiring housing. However, HOME
7 funds may be used by a secular entity to acquire housing from a primarily religious
8 organization, and a primarily religious entity may transfer title to property to a wholly
9 secular entity and the entity may participate in the HOME program in accordance with
10 the requirements set forth at 24 CFR 92.257. The entity may be an existing or newly
11 established entity, which may be an entity established by the religious organization.
12 The Security Deposit Assistance Program must be used exclusively by AUTHORITY for
13 secular purposes, available to all persons regardless of religion. In particular, there
14 must be no religious or membership criteria for tenants of the property.

15 20. PROGRAM MONITORING AND EVALUATION. AUTHORITY shall
16 maintain financial, programmatic, statistical and other supporting records of its
17 operations and financial activities in accordance with the requirements of the HOME
18 Program under 24 CFR 92.508. Except as otherwise provided for in this Agreement,
19 AUTHORITY shall maintain and submit records to COUNTY within ten business days of
20 COUNTY's request which clearly documents AUTHORITY's performance under each
21 requirement of the HOME Documents. A list of document submissions and timeline are
22 shown in **Exhibit A** and such list may be amended from time to time subject to HUD
23 and COUNTY reporting requirements.

24 21. EVENTS OF DEFAULT. The occurrence of any of the following
25 events shall constitute an "Event of Default" under this Agreement:

- 26 a. Monetary Default. (1) AUTHORITY's use of HOME funds for
27 uses inconsistent with terms and restrictions set forth in this
28 Agreement;

1 b. Non-Monetary Default - Operation. (1) Discrimination by
2 AUTHORITY on the basis of characteristics prohibited by
3 this Agreement or applicable law; (2) any material adverse
4 change in the condition of AUTHORITY that gives COUNTY
5 reasonable cause to believe that the SDA Program cannot
6 be operated according to the terms of this Agreement;

7 c. Bankruptcy, Dissolution and Insolvency. AUTHORITY's (1)
8 filing for bankruptcy, dissolution, or reorganization, or failure
9 to obtain a full dismissal of any such involuntary filing
10 brought by another party before the earlier of final relief or
11 sixty (60) days after such filing; (2) making a general
12 assignment for the benefit of creditors; (3) applying for the
13 appointment of a receiver, trustee, custodian, or liquidator, or
14 failure to obtain a full dismissal of any such involuntary
15 application brought by another party before the earlier of
16 final relief or sixty (60) days after such filing; (4) insolvency;
17 or (5) failure, inability or admission in writing of its inability to
18 pay its debts as they become due.

19 22. NOTICE OF DEFAULT AND OPPORTUNITY TO CURE. For
20 monetary and non-monetary events of default, COUNTY shall give written notice to
21 AUTHORITY, of any event of default by specifying: (a) the nature of the event of default
22 or the deficiency giving rise to the default, (b) the action required to cure the deficiency,
23 if an action to cure is possible, and (c) a date, which shall not be less than ninety (90)
24 calendar days from the mailing of the notice, by which such action to cure must be
25 taken. COUNTY agrees that AUTHORITY and any beneficiary permitted by this
26 Agreement (collectively, the "Interested Parties") shall have the right to cure any and all
27 defaults under this Agreement

28 23. COUNTY REMEDIES. Upon the happening of an event of default

1 and a failure by AUTHORITY or other Interested Party to cure said default within the
2 time specified in the notice of default (if an action to cure is specified in said notice),
3 COUNTY's obligation to disburse HOME funds shall terminate, and COUNTY may also
4 in addition to other rights and remedies permitted by this Agreement or applicable law,
5 proceed with any or all of the following remedies in any order or combination COUNTY
6 may choose in its sole discretion:

- 7 a. Terminate this Agreement.
- 8 b. Bring an action in equitable relief (1) seeking the specific
9 performance by AUTHORITY of the terms and conditions of
10 this Agreement, and/or (2) enjoining, abating, or preventing
11 any violation of said terms and conditions, and/or (3) seeking
12 declaratory relief.
- 13 c. Pursue any other remedy allowed at law or in equity.

14 24. AUTHORITY'S REMEDIES. Upon the fault or failure of COUNTY
15 to meet any of its obligations under this Agreement, AUTHORITY may:

- 16 a. Demand payment from COUNTY of any sums due
17 AUTHORITY; and/or
- 18 b. Bring an action in equitable relief seeking the specific
19 performance by COUNTY of the terms and conditions of this
20 Agreement; and/or
- 21 c. Pursue any other remedy allowed at law or in equity.

22 25. AUTHORITY'S WARRANTIES. AUTHORITY represents and
23 warrants (1) that it is duly organized, validly existing and in good standing under the
24 laws of the State of California, (2) that it has the full power and authority to undertake
25 the SDA Program and to execute this Agreement, (3) that the persons executing and
26 delivering this Agreement are authorized to execute and deliver such documents on
27 behalf of AUTHORITY and (4) that neither AUTHORITY nor any of its principals is
28 presently debarred, suspended, proposed for debarment, declared ineligible, or

1 voluntarily excluded from participation in connection with the transaction contemplated
2 by this Agreement.

3 26. AUTHORITY certifies, to the best of its knowledge and belief, that:

4 a. No federally appropriated funds have been paid or will be
5 paid, by or on behalf of the undersigned, to any person for
6 influencing or attempting to influence an officer or employee
7 of any agency, a member of Congress, an officer or
8 employee of Congress, or an employee of a member of
9 Congress in connection with the awarding of any federal
10 contract, the making of any federal grant, the making of any
11 federal loan, the entering into of any cooperative agreement,
12 and the extension, continuation, review, amendment, or
13 modification of any federal contract, grant, loan, or
14 cooperative agreement.

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

24 c. The undersigned shall require that the language of this
25 certification be included in the award documents for all sub-
26 awards at all tiers (including subcontracts, sub-grants, and
27 contracts under grants, loans, and cooperative agreements)
28 and that AUTHORITY shall certify and disclose accordingly.

1 This certification is a material representation of fact upon
2 which reliance was placed when this transaction was made
3 or entered into.

4 27. HOLD HARMLESS AND INDEMNIFICATION. AUTHORITY shall
5 indemnify, defend and hold harmless COUNTY, its elected officials, its members and its
6 respective agents, servants, and employees of and from any and all liabilities, claims,
7 debts, damages, demands, suits, actions, and causes of action whatsoever kind, nature
8 of sort including, but not by way of limitation, wrongful death, expense of the defense of
9 said parties, and the payment of reasonable attorneys' fees, arising out of or in
10 connection with the performance by AUTHORITY under this Agreement; except for,
11 however, any claims or damages arising from the sole negligence, fraud or
12 misrepresentation of COUNTY or its representatives.

13 28. TERMINATION.

14 a. AUTHORITY. AUTHORITY may terminate this Agreement
15 consistent with the Act, the regulations consistent
16 implementing the Act, and 24 CFR 85.44.

17 b. COUNTY. Notwithstanding the provisions of Section 31(a),
18 COUNTY may suspend or terminate this Agreement upon
19 written notice to AUTHORITY of the action being taken and
20 the reason for such action:

21 (1) In the event AUTHORITY fails to perform the
22 covenants herein contained at such times and in such
23 manner as provided in this Agreement after the
24 applicable notice and cure provision hereof; or

25 (2) In the event there is a conflict with any federal, state
26 or local law, ordinance, regulation or rule rendering
27 any of the provisions of this Agreement invalid or
28 untenable; or

1 (3) In the event the funding from the Department of
2 Housing and Urban Development referred to in
3 Section 1 above is terminated or otherwise becomes
4 unavailable.

5 c. This Agreement may be terminated or funding suspended in
6 whole or in part for cause in accordance with 24 CFR 85.43.
7 Cause shall be based on the failure of AUTHORITY to
8 materially comply with either the terms or conditions of this
9 Agreement after the applicable notice and cure provision
10 hereof. Upon suspension of funding, AUTHORITY agrees
11 not to incur any costs related thereto, or connected with, any
12 area of conflict from which COUNTY has determined that
13 suspension of funds is necessary. The award may be
14 terminated for convenience in accordance with 24 CFR
15 85.44.

16 d. Upon expiration of this Agreement, AUTHORITY shall
17 transfer to COUNTY any HOME funds on hand at the time of
18 expiration of the Agreement as well as any accounts
19 receivable held by AUTHORITY which are attributable to the
20 use of HOME funds awarded pursuant to this Agreement.

21 29. ENTIRE AGREEMENT. It is expressly agreed that this Agreement
22 embodies the entire agreement of the parties in relation to the subject matter hereof,
23 and that no other agreement or understanding, verbal or otherwise, relative to this
24 subject matter, exists between the parties at the time of execution.

25 30. SEVERABILITY. Each paragraph and provision of this Agreement
26 is severable from each other provision, and if any provision or part thereof is declared
27 invalid, the remaining provisions shall nevertheless remain in full force and effect.

28 31. MINISTERIAL ACTS. The Assistant County Executive

1 Officer/EDA, or designee(s), are authorized to take such ministerial actions as may be
2 necessary or appropriate to implement the terms, provisions, and conditions of this
3 Agreement as it may be amended from time to time by COUNTY.

4 32. MODIFICATION OF AGREEMENT. COUNTY or AUTHORITY
5 may consider it in its best interest to change, modify or extend a term or condition of this
6 Agreement. Any such change, extension or modification, which is mutually agreed
7 upon by COUNTY and AUTHORITY shall be incorporated in written amendments to this
8 Agreement. Such amendments shall not invalidate this Agreement, nor relieve or
9 release COUNTY or AUTHORITY from any obligations under this Agreement, except
10 for those parts thereby amended. No amendment to this Agreement shall be effective
11 and binding upon the parties, unless it expressly makes reference to this Agreement, is
12 in writing and is signed and acknowledged by duly authorized representatives of all
13 parties.

14 33. ASSIGNMENT. AUTHORITY will not make any sale, assignment,
15 conveyance or lease of any trust or power, or transfer in any other form with respect to
16 this Agreement, without prior written approval of COUNTY. Any proposed transferee
17 shall have the qualifications and financial responsibility, as reasonably determined by
18 COUNTY necessary and adequate to fulfill the obligations undertaken in this Agreement
19 by AUTHORITY. Any proposed transferee shall, by instrument in writing, for itself and
20 its successor and assigns, and expressly for the benefit of COUNTY, assume all of the
21 obligations of AUTHORITY under this Agreement and agree to be subject to all the
22 conditions and restrictions to which AUTHORITY is subject.

23 34. NOTICES. All notices, requests, demands and other
24 communication required or desired to be served by either party upon the other shall be
25 addressed to the respective parties as set forth below or the such other addresses as
26 from time to time shall be designated by the respective parties and shall be sufficient if
27 sent by United States first class, certified mail, postage prepaid, or express delivery
28 service with a receipt showing the date of delivery:

1 COUNTY

AUTHORITY

2 Assistant Director of Housing
3 Riverside County
4 Economic Development Agency
5 3403 Tenth Street, Suite 500
6 Riverside, CA 92501

 Assistant Director of the
 Housing Authority of the
 County of Riverside
 5555 Arlington Avenue
 Riverside, CA 92504

7 35. COUNTERPARTS. This Agreement may be signed by the different
8 parties hereto in counterparts, each of which shall be an original but all of which
9 together shall constitute one and the same agreement.

10 36. EFFECTIVE DATE. The effective date of this Agreement is the
11 date the parties execute the Agreement. If the parties execute the Agreement on more
12 than one date, then the date first above written shall be the effective date.

13 ///

14 ///

15 (SIGNATURES ON NEXT PAGE)

16 ///

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18 ///

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28 ///

1 **IN WITNESS WHEREOF**, the COUNTY and DEVELOPER have executed this
2 Agreement as of the date first above written.

3
4 COUNTY:

AUTHORITY:

5 COUNTY OF RIVERSIDE

6 HOUSING AUTHORITY OF THE
7 COUNTY OF RIVERSIDE

8 By: *Marion Ashley*
9 MARION ASHLEY, Chairman
10 Board of Supervisors

By: *Marion Ashley*
MARION ASHLEY, Chairman
Board of Commissioners

11 APPROVED AS TO FORM:

12 PAMELA J. WALLS
13 County Counsel

14
15 By: *Anita Willis*
16 ANITA WILLIS, Deputy

17 ATTEST:
18 KECIA HARPER-IHEM
19 Clerk of the Board

20 By: *Kecia Harper-Ihem*
21 Deputy

22
23
24 **(Signatures on this page need to be notarized)**
25
26
27

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE


} §

On November 30, 2010, before me, Karen Barton, Board Assistant, personally appeared Marion Ashley, Chairman of the Board of Supervisors, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument; and that a copy of this paper, document or instrument has been delivered to the chairperson.

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

WITNESS my hand and official seal

Kecia Harper-Ihem
Clerk of the Board of Supervisors

By: 
Deputy Clerk

(SEAL)

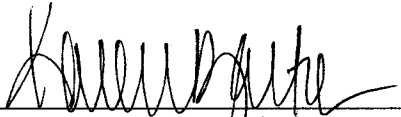
STATE OF CALIFORNIA }
 } §
COUNTY OF RIVERSIDE }

On November 30, 2010, before me, Karen Barton, Board Assistant, personally appeared Marion Ashley, Chairman of the Housing Authority Board of Commissioners, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument; and that a copy of this paper, document or instrument has been delivered to the chairperson.

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

WITNESS my hand and official seal

Kecia Harper-Ihem
Clerk of the Board of Supervisors

By: 
Deputy Clerk

(SEAL)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA }
COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer
personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA }
COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer
personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

Authority: Housing Authority of the County of Riverside
Address: 5555 Arlington Avenue, Riverside, CA 92504
Program: Security Deposit Assistance Program
Location: Within the areas of the County of Riverside

Description:

The Security Deposit Assistance (SDA) Program is designed to provide a one-time grant to eligible participants, as defined herein, to pay for the security deposit of new participants in the Section 8 Housing Choice Voucher Program to lease a rental property. No Assistance can be provided for temporary shelters. The goal of the program is to remove the initial barrier that families encounter as they attempt to find a suitable unit to rent. California state law prohibits landlords or property owners from requesting a security deposit greater than two (2) months of the total amount of the contract rent as a security deposit for an un-furnished unit.

Eligible Applicants:

The Program is limited to eligible families or participants who have recently been selected from the waiting list and have an approved Section 8 Voucher and who are in the process of finding a unit to rent.

Existing Section 8 Voucher can only be eligible if any of the following conditions apply:

1. The owner of the unit has selected to sell the property;
2. An unforeseen emergency that is through no fault of the family.

The grant will be made to the Housing Authority on a "cost-as-incurred" basis for all eligible approved cost under this Agreement. Once a family moves from the unit, the family retains the deposit amount to assist them with the relocation process. The maximum grant per family is limited to the lesser of 50% of the actual total security deposit or half of the Section 8 contract rent.

It is anticipated that this program would benefit approximately 440 families at an average cost of \$450/family.

Matching funds in a minimum amount of twenty-five percent (25%) of the total HOME allocation are required. The HOME match in the amount of \$50,000 will be satisfied from the excess match carried over Fiscal 2010-2011.

The Housing Authority shall submit to the County copies of the HUD Section 50058 approval Form and Security Deposit Assistance Program Application.

EXHIBIT "B"

Security Deposit Assistance Program Application

Original Section 8 Admittance Date _____

Date: _____ Housing Voucher or Certification # _____

Phone _____ Race Code: _____ Hispanic: Y ___ N ___

Address (including zip): _____
(address for which assistance is requested)

Landlord _____

Head of Household: Name & Address _____

Phone _____

Move in date _____ Household Income \$ _____ (%) _____ Section 8 Subsidy _____

Monthly Rent \$ _____ Tenant Contribution \$ _____ Female Head of Household? Y ___ N ___

Total Tenant Payment \$ _____ Size of Household _____ Head of Household Code _____

Amount Requested: _____ Security Deposit _____ Payable To: _____

of Bdrms: _____ New Contract? Y ___ N ___ Months in Contract w/ Tenant: _____ (1-24)

Under the Housing Authority of the County of Riverside Security Deposit Assistance Program, payment will be provided for the security deposit not to exceed 50% of the actual security deposit or half of the contract rent, whichever is less. Payment will be provided directly to the Landlord. This assistance is provided with the intent to provide rental assistance to the eligible Section 8 tenant; however the Riverside County Economic Development Agency is under no obligation to the tenant, the Landlord, or any other party until (1) the rental unit has passed inspection and meets housing quality standards (HQS); (2) the rental unit has been approved by the Housing Authority of the County of Riverside Section 8 program; (3) a Dwelling Lease Agreement and Housing Assistance Payment contract have been fully executed by all parties.

Head of Household Signature

(2) Head of Household Signature

I certify that the client's income has been verified as stated above and the property that assistance is applied for meets applicable property standards, according to Section 8. I also agree to make client records available upon request from EDA, Dept. of HUD, or other authorized agency. ATTACH COPY OF HUD FORM 50058.

Certified by _____ Date _____
Housing Authority Eligibility Specialist

Approved Denied _____
Housing Authority Program Manager Official Signature Date

Reason or Denial _____

- Race of Head of household Code**
- 11 - White
 - 12 - Black or African American
 - 13 - Asian
 - 14 - American Indian or Alaska Native
 - 15 - Native Hawaiian or Other Pacific Islander
 - 16 - American Indian or Alaska Native & White
 - 17 - Asian & White
 - 18 - Black or African American & White
 - 19 - American Indian or Alaska Native & Black or African American
 - 20 - Other Multi Racial

- Head of Household Code**
- 1 - Single/Non Elderly
 - 2 - Elderly
 - 3 - Related/Single Parent
 - 4 - Related/Two Parent
 - 5 - Other
- New Contract?**
- Y - Yes, tenant is newly assisted
 - N - No, tenant's assistance has been renewed

Prohibition Against Conflicts of Interest
EXHIBIT "C"

§ 92.356 Conflict of interest.

(a) Applicability. In the procurement of property and services by participating jurisdictions, State recipients, and sub-recipients, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, apply. In all cases not governed by 24 CFR 85.36 and 24 CFR 84.42, the provisions of this section apply.

(b) Conflicts prohibited. No persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

(c) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the COUNTY, State recipient, or sub-recipient which are receiving HOME funds.

(d) Exceptions: Threshold requirements. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME Investment Partnerships Program and the effective and efficient administration of the COUNTY's program or project. An exception may be considered only after the recipient has provided the following:

(1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(2) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(e) Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) of this section, HUD shall consider the cumulative effect of the following factors, where applicable:

(1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;

(2) Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(3) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;

(4) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (c) of this section;

Prohibition Against Conflicts of Interest
EXHIBIT "C"

- (5) Whether undue hardship will result either to the COUNTY or the person affected when weighed against the public interest served by avoiding the prohibited conflict;
- (6) Any other relevant considerations.

Owners/Participants and Developers.

- (1) No owner, developer or sponsor of a project assisted with HOME funds (or officer, employee, agent or consultant of the owner, developer or sponsor) whether private, for profit or non-profit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor) may occupy a HOME-assisted affordable housing unit in a project. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.
- (2) Exceptions. Upon written request of AUTHORITY or developer, the COUNTY may grant an exception to the provisions of paragraph (f)(1) of this section on a case-by-case basis when it determines that the exception will serve to further the purpose of the HOME program and the effective and efficient administration of the owner's, AUTHORITY's or developer's HOME-assisted project. In determining whether to grant a requested exception, the COUNTY shall consider the following factors:
 - (i) Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - (ii) Whether the person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted housing in question;
 - (iii) Whether the tenant protection requirements of § 92.253 are being observed;
 - (iv) Whether the affirmative marketing requirements of § 92.351 are being observed and followed; and
 - (v) Any other factor relevant to the COUNTY's determination, including the timing of the requested exception.

Prohibition Against Conflicts of Interest
EXHIBIT "C"

Community Development
Block Grant
Policy Manual
I.D. # A-11

TOPIC: CONFLICT OF INTEREST CODED
RIVERSIDE COUNTY
ECONOMIC DEVELOPMENT AGENCY

DATE: MARCH 1999

This Conflict of Interest Code is written to comply with Federal Regulations (24 CFR Part 85). These Regulations. "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments" require that grantees and sub-grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts.

- 1) No employee, officer or agent of the grantee shall participate in the selection, in the award or in the administration of a contract supported by Federal Funds if a conflict of interest, real or apparent, would be involved.
- 2) Such a conflict will arise when:
 - i) The employee, officer or agent;
 - ii) Any member of the immediate family;
 - iii) His/Her partners, or;
 - iv) An organization which employs, or is about to employ any of the above has a financial or other interest in the firm's selection for award.
- 3) The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to sub-agreements except as noted in Section 4.
- 4) A grantee's or sub-grantee's officers, employees or agents will be presumed to have a financial interest in a business if their financial interest exceeds the following:
 - i) Any business entity in which the official has a direct or indirect investment worth one thousand dollars (\$1,000) or more.

Prohibition Against Conflicts of Interest
EXHIBIT "C"

Community Development
Block Grant
Policy Manual
I.D. # A-11

TOPIC: CONFLICT OF INTEREST CODE
RIVERSIDE COUNTY
ECONOMIC DEVELOPMENT AGENCY

DATE: March 1999

- ii) Any real property in which the official has a direct or indirect interest worth one thousand dollars (\$1,000) or more.
 - iii) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the official within 12 months prior to the time when the decision is made.
 - iv) Any business entity in which the official is a director, officer, partner, trustee, employee, or holds any position of management.
 - v) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the official within 12 months prior to the time when the decision is made.
- 5) For purposes of Section 4, indirect investment or interest means any investment or interest owned by the spouse or dependent child of an official, by an agent on behalf of an official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or more.