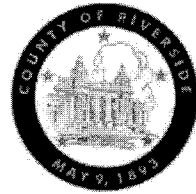


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM
9.2
(ID # 7087)**

MEETING DATE:

Tuesday, June 26, 2018

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Public Hearing for Adoption of Resolution Number 2018-110, Authorization to Sell Fee Simple Interest in Real Property Located in the City of Jurupa Valley, County of Riverside, Identified as Assessor's Parcel Numbers 182-290-023 and 182-290-025 by Grant Deed to Family Service Association, Making Certain Findings Pursuant to California Government Code Section 25539.4, and Approving the Disposition and Development Agreement between the County of Riverside and Family Service Association, District 2, [\$0]; CEQA Exempt (Clerk to File Notice of Exemption)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15192 and 15194, Affordable Housing Exemption;
2. Conduct a public hearing;
3. Adopt Resolution Number 2018-110 Authorization to Sell Fee Simple Interest in Real Property Located in the City Of Jurupa Valley, County of Riverside, Identified as Assessor's Parcel Numbers 182-290-023 and 182-290-025 by Grant Deed to Family Service Association, Making Certain Findings Pursuant to California Government Code Section 25539.4, and Approving the Disposition and Development Agreement between the County of Riverside and Family Service Association;

ACTION: Policy

Robert Field, Assistant County Executive Officer/ECD 5/22/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Perez and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington and Perez
Nays: None
Absent: Ashley
Date: June 26, 2018
xc: EDA, Recorder

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

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STATE OF CALIFORNIA**

RECOMMENDED MOTION: That the Board of Supervisors:

4. Approve the form of the attached Disposition and Development Agreement, including all attachments, including, but not limited to the Grant Deed ("Agreement") between the County of Riverside and Family Service Association, a California nonprofit public benefit corporation (FSA), providing for, among other things, the disposition of real property located in the City Of Jurupa Valley, County of Riverside, Identified as Assessor's Parcel Numbers 182-290-023 and 182-290-025 by County to FSA and the development and construction thereon by FSA of affordable housing for very low and low income seniors;
5. Authorize and direct the Assistant County Executive Officer/ECD, or designee, to execute a Disposition and Development Agreement substantially conforming in form and substance to the attached Agreement, subject to approval by County Counsel;
6. Authorize the Assistant County Executive Officer/ECD, or designee, to execute any other documents and administer all actions necessary to implement, complete and memorialize the transactions contemplated in the Agreement, including, but not limited to executing the Grant Deed and Agreement Containing Covenants attached to the Agreement, and any escrow instructions, subject to approval by County Counsel; and
7. Direct the Clerk of the Board to file the attached Notice of Exemption upon approval of the Agreement.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS:			Budget Adjustment:	No
			For Fiscal Year:	17/18

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

County of Riverside (County) owns that certain real property located at 5888 Mission Boulevard in the City of Jurupa Valley, State of California referred to as Assessor Parcel Numbers 182-290-023 and 182-290-025, depicted on the attached Site map ("Property"). The Property is partially improved with a 9,120 square foot multi-purpose building, adjacent landscaping and parking lot, all commonly identified as the Eddie Dee Smith Senior Center. The Eddie Dee Smith Center is open to the public with an emphasis on senior activities. Family Service Association (FSA) is a California nonprofit public benefit corporation engaged in building safe and affordable housing for low-income families. FSA also provides a variety of public programs and services to the community of Jurupa Valley including, but not limited to after school programs for children, counseling, mobile clinics, and providing free meals. FSA currently operates the Eddie Dee Smith

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

Senior Center located on the Property pursuant to that certain Master License and Operating Agreement dated May 9, 2017 entered into between County and FSA (Operating Agreement). The Operating Agreement has a 3.5 year term that expires on June 30, 2020. The County provides \$150,000 in annual operating subsidies to FSA to operate the Senior Center under the Operating Agreement.

Pursuant to California Government Code Section 25539.4, notwithstanding any other provision of law, whenever the Board of Supervisors determines that any real property owned by the County can be used to provide housing affordable to low and moderate income families, and this use is in the County's best interest, the County may sell, convey or otherwise dispose of the real property at less than fair market value, to provide that affordable housing without complying with other provisions of Title 3, Division 2, Part 2, Chapter 5, Article 8 of the California Government Code. The County is committed to providing affordable housing and services to its residents.

FSA desires to acquire the Property from County to develop and construct thereon a multifamily rental housing project comprised of approximately fifty-four (54) units, to be occupied by and rented to very low, low and moderate income senior households, as defined by California Health and Safety Code Sections 50079.5, 50093 and 50105, in accordance with California Government Code Section 25539.4 (Section 25539.4). No less than eighty (80) percent of the area of the Property shall be used for the development of housing. There is an unmet need for affordable housing within the County of Riverside. Staff recommends the Board of Supervisors authorize the sale of the Property to FSA and the subsequent development thereon since the Property can be used to provide housing affordable to low and moderate income families and the use is in the County's best interest. Staff recommends the Board of Supervisor's adopt Resolution No. 2018-110 Authorization to Sell Fee Simple Interest in Real Property located In the City of Jurupa Valley, County of Riverside, identified as Assessor's Parcel Numbers 182-290-023 And 182-290-025 by Grant Deed to Family Service Association, Making Certain Findings pursuant to California Government Code Section 25539.4, and approving the Disposition and Development Agreement between the County of Riverside and Family Service Association. Consistent with Section 25539.4, subject to the satisfaction of certain conditions precedent, the Property will be sold for \$1, which is less than fair market value, in consideration for the development and operation of long term affordable housing and the continued operation of the Senior Center, which is in the best interest of the County. The terms of the sale and development are set forth in the attached form of Disposition and Development Agreement, including attachments, to be executed by the County and FSA.

FSA shall be responsible for all construction and development costs, entitlements, securing financing, construction, on-site and off-site improvements, maintenance obligations, and operation of the Senior Center. Pursuant to the proposed Disposition and Development Agreement, the County shall retain a right of reverter, wherein title to the Property reverts back to the County in the event FSA does not build the proposed housing project by June 2025.

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

In accordance with Section 25539.4 (c), not less than 40 percent of the total number of housing units developed on the Property shall be affordable to households whose incomes are equal to or less than 75 percent of the maximum income of lower income households, and at least half of which shall be affordable to very low income households. The dwelling units produced for persons and families of very low and low income shall be restricted by regulatory agreement to remain continually affordable to those persons and families for the longest feasible time, but not less than 30 years, as set forth in the proposed Disposition and Development Agreement and the Agreement Containing Covenants.

As part of the consideration to be paid for the Property, FSA will continue to operate the Senior Center at the same or greater level of service, at no cost to County (except for County's obligation under the Operating Agreement), for a period of 7 years after the expiration of the Operating Agreement term (Additional Period). At the end of the Additional Period, FSA will continue to provide senior services at the same or greater level as they existed at the effective date of the Disposition and Development Agreement. The services may be provided on the Property or at any other site operated by FSA with the City of Jurupa Valley.

The cost to develop and construct the proposed project is estimated to be \$9,100,000 and will be financed by a combination of the following funds, Community and Economic Development Associates (CEDA) bank loan in the amount of \$6,100,000, California Housing and Community Development (HCD) Veteran Housing and Homeless Prevention grant in the amount of \$1,250,000, FSA equity contribution in the amount of \$500,000, and a land write down from the County in the amount of \$1,250,000 in accordance with Section 25539.4 .

Pursuant to the CEQA, the Disposition and Development Agreement relating to the development and operation of affordable housing on the Property was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines Sections 15192 and 15194, Affordable Housing Exemption. The proposed project entails the sale of property for the design, construction, and operation of an affordable housing project on a previously developed 1.51-acre site. The project satisfies all of the threshold criteria under Section 15192 and criteria under 15194 and the project is consistent with the developmental goals of the County and City of Jurupa Valley. The project will continue to maintain community services to seniors and will provide a benefit to the community with 54 affordable units for a period of at least 30 years at monthly housing costs deemed to be affordable rent for very low and low income households. A Notice of Exemption will be filed with the County Clerk, upon approval.

The County published a Notice of Public Hearing relating to the sale of the Property. In addition, the County made available for public review, on the date the Notice of Public Hearing was published, the attached Disposition and Development Agreement, including all attachments.

County Counsel has reviewed and approved the attached Resolution No. 2018-110 and the Disposition and Development Agreement, including all attachments. Staff recommends that the

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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Board adopt Resolution No. 2018-110 and approve the Disposition and Development Agreement, including all attachments.

Impact on Residents and Businesses

The proposed project will create temporary construction jobs, bring much needed quality senior housing, and continue the services offered to seniors living in the Jurupa Valley area.

SUPPLEMENTAL:

Additional Fiscal Information

No general funds will be used for this agreement. FSA will bear its own costs and expenses incurred, or to be incurred, in connection with the development, construction and operation of the proposed project.

Attachments:

- Resolution No. 2018-110
- Disposition and Development Agreement, including all attachments
- Public Notice
- Site Map
- Notice of Exemption

RF:HM:CH:MW:JG 13850


Nehini Dasika, Principal Management Analyst 6/18/2018


Gregory P. Priamos, Director County Counsel 6/14/2018

2
3 **RESOLUTION NO. 2018-110**

4
5 **AUTHORIZATION TO SELL FEE SIMPLE INTEREST IN REAL PROPERTY**
6 **LOCATED IN THE CITY OF JURUPA VALLEY, COUNTY OF RIVERSIDE,**
7 **IDENTIFIED AS ASSESSOR'S PARCEL NUMBERS 182-290-023 AND 182-290-**
8 **025 BY GRANT DEED TO FAMILY SERVICE ASSOCIATION, MAKING CERTAIN**
9 **FINDINGS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION**
10 **25539.4, AND APPROVING THE DISPOSITION AND DEVELOPMENT**
11 **AGREEMENT BETWEEN THE COUNTY OF RIVERSIDE AND FAMILY SERVICE**
12 **ASSOCIATION**

13 **WHEREAS**, the County of Riverside, a political subdivision of the state of
14 California ("County") owns that certain real property located in the City of Jurupa Valley,
15 County of Riverside, State of California, consisting of approximately 1.51 acres of land
16 improved with a 9,120 square foot building, commonly known as the Eddie Dee Smith
17 Senior Center ("Senior Center"), located at 5888 Mission Blvd, Jurupa Valley, CA
18 92509, identified as Assessor's Parcel Numbers 182-290-023 and 182-290-025, as
19 legally described in Exhibit "A" attached hereto and incorporated herein by this
20 reference and depicted on the Site Map attached hereto ("Property");

21 **WHEREAS**, pursuant to California Government Code Section 25539.4 ("Section
22 25539.4"), the Legislature recognizes that real property of counties can be utilized, in
23 accordance with a county's best interests, to provide housing affordable to persons or
24 families of low or moderate income;

25 **WHEREAS**, pursuant to Section 25539.4, notwithstanding any other provision
26 of law, whenever the board of supervisors determines that any real property or interest
27 therein owned, or to be purchased, by the county can be used to provide housing
28 affordable to persons and families of low or moderate income, as defined by Section
50093 of the Health and Safety Code or as defined by the United States Department
of Housing and Urban Development or its successors, and that this use is in the

1 county's best interests, the county may sell, lease, exchange, quitclaim, convey, or
2 otherwise dispose of the real property or interest therein at less than fair market value,
3 or purchase an interest in the real property, to provide that affordable housing without
4 complying with other provisions of Title 3, Division 2, Part 2, Chapter 5, Article 8 of the
5 California Government Code;

6 **WHEREAS**, there is an unmet need for affordable housing within the County and
7 the County is committed to providing affordable housing and related services to
8 community members;

9 **WHEREAS**, the Property can be used to provide housing affordable to persons
10 and families of low or moderate income, as defined by Section 50093 of the Health and
11 Safety Code or as defined by the United States Department of Housing and Urban
12 Development or its successors, and this use is in the County's best interests;

13 **WHEREAS**, Family Service Association, a California non-profit public benefit
14 corporation ("FSA") provides a wide variety of program and services to the community
15 including affordable housing to low income households. FSA currently operates the
16 Senior Center located on the Property pursuant to that certain Master License and
17 Operating Agreement dated May 9, 2017 and entered into between County and FSA;

18 **WHEREAS**, County desires to convey the Property to FSA for the development
19 and construction thereon of a 54 unit multi-family rental senior housing development to
20 be rented to and occupied by low and very low income seniors for an affordable rent,
21 as more specifically set forth in the form of Disposition and Development Agreement,
22 including exhibits, attached hereto as Exhibit C and incorporated herein by this
23 reference ("Disposition and Development Agreement"), in accordance with Section
24 25539.4;

25 **WHEREAS**, consistent with Section 25539.4, subject to the satisfaction of certain
26 conditions precedent contained in the Disposition and Development Agreement, the
27 Property will be sold for \$1, which is less than fair market value, in consideration for the
28

1 development and operation of long term affordable housing and the continued
2 operation thereon of the Senior Center, which is in the best interest of the County;

3 **WHEREAS**, in accordance with Section 25539.4 (b) and (c), not less than 80
4 percent of the area of the Property shall be used for the development of housing, and
5 not less than 40 percent of the total number of those housing units developed on the
6 Property shall be affordable to households whose incomes are equal to or less than 75
7 percent of the maximum income of lower income households, and at least half of which
8 shall be affordable to very low income households ("Units");

9 **WHEREAS**, the Units shall be restricted by regulatory agreement to remain
10 continually affordable to those persons and families for the longest feasible time, but
11 not less than 30 years, pursuant to the proposed Disposition and Development
12 Agreement, and the Agreement Containing Covenants (Attachment 11 to the
13 Disposition and Development Agreement), executed by FSA and County to be
14 recorded against the Property;

15 **WHEREAS**, the proposed disposition of the Property and development of the
16 Project will result in the creation of much needed affordable housing for seniors within
17 the Jurupa Valley community which is in the best interest of the County;

18 **WHEREAS**, the County published a Notice of Public Hearing relating to the sale
19 of the Property. In addition, the County made available for public review, on the date
20 the Notice of Public Hearing was published, the attached Disposition and Development
21 Agreement, including all attachments;

22 **WHEREAS**, the Board of Supervisors has duly considered all terms of the
23 Disposition and Development Agreement, the agenda report presented to it by staff
24 and any testimony received at the public hearing, and believes that the sale of the
25 Property is in the best interest of the County of Riverside, and the health, safety, morals
26 and welfare of its residents, and in accord with the public purposes and provisions of
27 applicable State and local law and requirements; and
28

1 **WHEREAS**, pursuant to the CEQA, the Disposition and Development Agreement
2 relating to the development and operation of affordable housing on the Property was
3 reviewed and determined to be categorically exempt from CEQA under CEQA
4 Guidelines Sections 15192 and 15194, Affordable Housing Exemption. The proposed
5 project entails the sale of property for the design, construction, and operation of an
6 affordable housing project on a previously developed 1.51-acre site. The project
7 satisfies all of the threshold criteria under Section 15192 and criteria under 15194 and
8 the project is consistent with the developmental goals of the County and City of Jurupa
9 Valley. The project will continue to maintain community services to seniors and will
10 provide a benefit to the community with 54 affordable units for a period of at least 30
11 years at monthly housing costs deemed to be affordable rent for very low and low
12 income households.

13 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND**
14 **ORDERED** by the Board of Supervisors of the County of Riverside ("Board"), State of
15 California, in regular session assembled on or about June 26, 2018, in the meeting
16 room of the Board of Supervisors located on the 1st floor of the County Administrative
17 Center, 4080 Lemon Street, Riverside, California, as follows:

18 1. That the Board has received and heard all oral and written objections (if
19 any) to the proposed Disposition and Development Agreement, and to the other
20 matters pertaining to this transaction, and that all such oral and written objections (if
21 any) are hereby overruled.

22 2. The foregoing recitals are true and correct and incorporated into this
23 Resolution.

24 3. The Board, based upon a review of the evidence and information
25 presented on the matter as it relates to the sale, has determined that the proposed
26 sale is categorically exempt from CEQA under CEQA Guidelines Sections 15192 and
27 15194, Affordable Housing Exemption. The proposed project entails the sale of
28 property for the design, construction, and operation of an affordable housing project

1 on a previously developed 1.51-acre site. The project satisfies all of the threshold
2 criteria under CEQA Guidelines Section 15192 and criteria under CEQA Guidelines
3 Section 15194 and the project is consistent with the developmental goals of the County
4 and City of Jurupa Valley. The project will continue to maintain community services to
5 seniors and will provide a benefit to the community with 54 affordable units for a period
6 of at least 30 years at monthly housing costs deemed to be affordable rent for very
7 low and low income households.

8 4. The Board hereby finds and determines that that certain real property
9 owned by County located in the City of Jurupa Valley, County of Riverside, State of
10 California, consisting of approximately 1.51 acres of land improved with a 9,120
11 square foot building, commonly known as the Eddie Dee Smith Senior Center ("Senior
12 Center"), located at 5888 Mission Blvd, Jurupa Valley, CA 92509, identified as
13 Assessor's Parcel Numbers 182-290-023 and 182-290-025, as legally described in
14 Exhibit "A" and depicted on Exhibit B, each attached hereto and incorporated herein
15 by this reference ("Property") can be used to provide affordable housing to persons
16 and families of low or moderate income, as defined by Section 50093 of the Health
17 and Safety Code or as defined by the United States Department of Housing and Urban
18 Development or its successors, and that this use is in the County's best interests,
19 pursuant to California Government Code Section 25539.4 (Section 25539.4);

20 5. The Board approves and authorizes the sale of the Property by Grant Deed (the
21 form of which is attached as Attachment No. 5 to the Disposition and Development
22 Agreement) to Family Service Association, a California nonprofit public benefit
23 corporation (FSA) for a purchase price of One Dollar (\$1.00), less than fair market
24 value, in accordance with Section 25539.4.

25 6. The Board hereby further finds and determines that the terms of the disposition,
26 development and operation of the Property set forth in the form of Disposition and
27 Development Agreement, including attachments, attached hereto as Exhibit C and
28 incorporated herein by this reference ("Disposition and Development Agreement")

FORM APPROVED COUNTY COUNSEL
BY: *Shirley R. Brown* 6/13/18
JAILAN B. BROWN DATE

1 comply with Section 25539.4, including, but not limited to the following requirements:
2 (i) not less than 80 percent of the area of the Property shall be used for the
3 development of housing, (ii) not less than 40 percent of the total number of those
4 housing units developed on the Property shall be affordable to households whose
5 incomes are equal to or less than 75 percent of the maximum income of lower income
6 households, and at least half of which shall be affordable to very low income
7 households, (iii) dwelling units produced for persons and families of low or moderate
8 income on the Property shall be restricted by regulatory agreement to remain
9 continually affordable to those persons and families for the longest feasible time, but
10 not less than 30 years, pursuant to a method prescribed by the County, and (iv) the
11 regulatory agreement shall contain a provision making the covenants and conditions
12 of the agreement binding upon successors in interest of the housing sponsor. The
13 regulatory agreement shall be recorded in the office of the recorder of the County of
14 Riverside. The regulatory agreement shall be recorded in the grantor-grantee index to
15 the name of County as grantor and to the name of the County as grantee.

16 7. The Board hereby approves the Disposition and Development Agreement,
17 including all attachments, to be entered into between the County and FSA, which
18 provides affordable housing in accordance with Section 25539.4.

19 8. The Assistant County Executive Officer/ECD or designee, is hereby authorized
20 and directed to sign a Disposition and Development Agreement substantially
21 conforming in form and substance to the form of Disposition and Development
22 Agreement attached hereto as Exhibit C, and to sign all documents necessary and
23 appropriate to carry out and implement the Disposition and Development Agreement
24 including, but not limited to subsequent and relevant documents such as the Grant
25 Deed, Agreement Containing Covenants and Escrow Agreement, and to administer
26 the County's obligations, responsibilities, and duties to be performed under said
27 Disposition and Development Agreement, subject to approval by County Council.
28

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4 /// ROLL CALL:

5 Ayes: Jeffries, Tavaglione, Washington and Perez
 6 Nays: None
 7 Absent: Ashley

8 The foregoing is certified to be a true copy of a resolution duly
 9 adopted by said Board of Supervisors on the date therein set forth.

10 KECIA HARPER-IHEM, Clerk of said Board

11 By



12 Deputy

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06.26.18 9.2

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

All that real property in the City of Jurupa Valley, County of Riverside, State of California, described as follows:

PARCEL 1: APN 182-290-025

Parcel B of Notice of Lot Line Adjustment for the Smith Center and adjacent land, recorded July 30, 2001 as Instrument No. 2001-354646 of Official Records of Riverside County, California, and more particularly described as follows:

That portion of Parcel 2 of Parcel Map No. 4932, in the City of Jurupa Valley, County of Riverside, State of California, on file in Book 8 of Parcel Maps, Page 60 thereof, Records of Riverside County, California, described as follows:

BEGINNING at the most easterly corner of said Parcel 2, said corner being a point in the southwesterly line of Mission Boulevard as shown by said Parcel Map No. 4932;

Thence S.29°37'42"W. along the southeasterly line of said Parcel 2, a distance of 150.68 feet;

Thence N.60°22'18"W., a distance of 4.55 feet;

Thence S.29°37'42"W., a distance of 62.94 feet;

Thence N.60°22'18"W., a distance of 15.08 feet;

Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.29°37'42"W., a distance of 2.06 feet;

Thence southerly along a tangent curve concave easterly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.60°22'18"E., a distance of 15.20 feet;

Thence S.29°37'42"W., a distance of 53.97 feet;

Thence N.60°22'18"W., a distance of 17.40 feet;

Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.29°37'42"W., a distance of 14.11 feet;

Thence N.60°23'58"W., a distance of 56.03 feet, to the northwesterly line of said Parcel 2;

Thence N.29°37'42"E. along said northwesterly line, a distance of 292.18 feet, to the most northerly corner of said Parcel 2, said corner being a point in the southwesterly line of said Mission Boulevard.

Thence S.58°39'15"E. along the northeasterly line of said Parcel 2, also being along said southwesterly line of Mission Boulevard, a distance of 79.91 feet, to the Point of Beginning.

PARCEL 2: APN 182-290-023

Parcel C of Notice of Lot Line Adjustment for the Smith Center and adjacent land, recorded July 30, 2001 as Instrument No. 2001-354646 of Official Records of Riverside County, California, and more particularly described as follows:

That portion of Parcel 1 of Parcel Map No. 4932, in the City of Jurupa Valley, County of Riverside, State of California, on file in Book 8 of Parcel Maps, Page 60 thereof, Records of Riverside County, California, described as follows:

COMMENCING at the most easterly corner of said Parcel 2 of said Parcel Map No. 4932, said corner being a point in the southwesterly line of Mission Boulevard as shown by said Parcel Map;

Thence S.29°37'42"W. along the southeasterly line of said Parcel 2, a distance of 150.68 feet;

Thence N.60°22'18"W., a distance of 4.55 feet;

Thence S.29°37'42"W., a distance of 62.94 feet;

Thence N.60°22'18"W., a distance of 15.08 feet;

Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.29°37'42"W., a distance of 2.06 feet;

Thence southerly along a tangent curve concave easterly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.60°22'18"E., a distance of 15.20 feet;

Thence S.29°37'42"W. a distance of 53.97 feet;

Thence N.60°22'18"W., a distance of 17.40 feet;

Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.29°37'42"W., a distance of 14.11 feet;

Thence N.60°23'58"W., a distance of 56.03 feet, to the northwesterly line of said Parcel 2, also being the southeasterly line of said Parcel 1, being the True POINT OF BEGINNING;

Thence continuing N.60°23'58"W., a distance of 118.01 feet;

Thence N.28°37'21"E a distance of 15.63 feet;

Thence northerly along a tangent curve concave westerly, having a radius of 2.00 feet, through an angle of 89°58'20", an arc length of 3.11 feet;

Thence N.60°22'18"W., a distance of 29.05 feet, to the northwesterly line of said Parcel 1;

Thence N.29°37'42"E. along said northwesterly line, a distance of 279.13 feet, to the most northerly corner of said Parcel 1, said corner being a point in the southwesterly line of said Mission Boulevard.

Thence S.58°39'15"E. along the northeasterly line of said Parcel 2, also being along said southwesterly line of Mission Boulevard, a distance of 149.40 feet, to the Point of Beginning.

EXHIBIT B

SITE MAP

5888 Mission Boulevard, City of Jurupa Valley, CA

Acres: 1.51

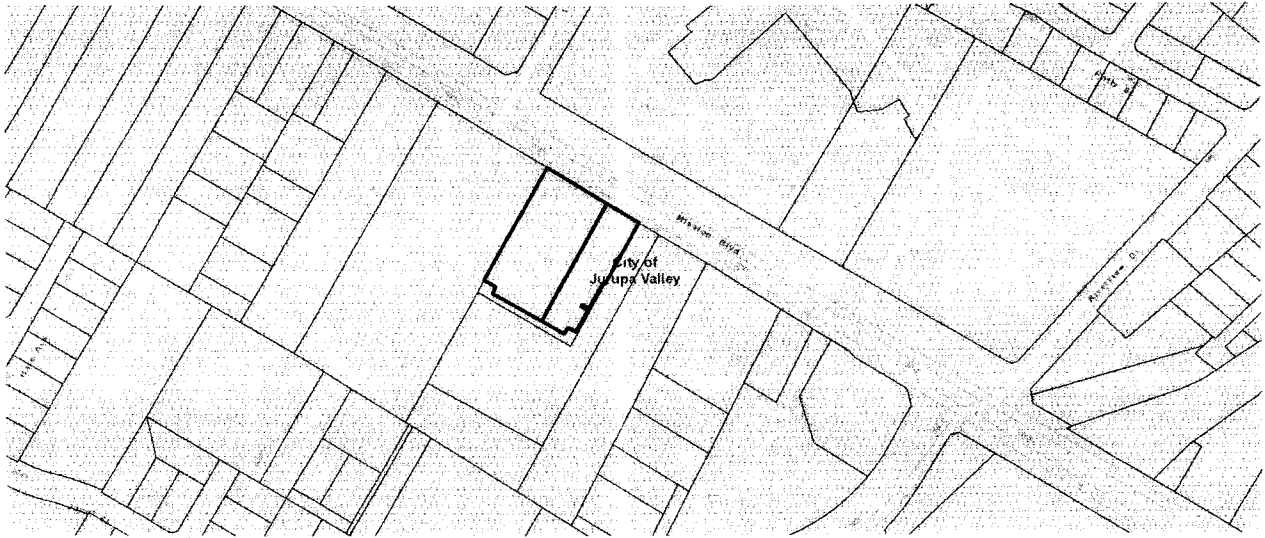


EXHIBIT C
FORM OF DISPOSITION AND DEVELOPMENT AGREEMENT
[behind this page]

Advertising Order Confirmation

The Press Enterprise

Ad Number 0011134097-01 Color Ad Size 3 X 87 LI Production Color Ad Attributes Production Method AdBooker Production Notes
External Ad Number Click Up Ad Type Legal Liner Released for Publication

NOTICE OF PUBLIC HEARING BY THE COUNTY OF RIVERSIDE REGARDING THE PROPOSED DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE COUNTY OF RIVERSIDE AND THE FAMILY SERVICE ASSOCIATION, TO CONVEY REAL PROPERTY KNOWN AS ASSASSOR'S PARCEL NUMBERS 182,290-023 AND 182,290-025 LOCATED IN THE CITY OF JURUPA VALLEY, CALIFORNIA, FOR THE DEVELOPMENT OF SENIOR, AFFORDABLE HOUSING

NOTICE IS HEREBY GIVEN THAT the County of Riverside's ("County") Board of Supervisors ("BOS"), has scheduled a Public Hearing on June 26, 2018, at the hour of 9:00 a.m. or as soon thereafter as the matter can be heard at the Board Chambers, County Administrative Center, 4001 Main Street 1st Floor, Riverside, CA 92501, for the purpose of consideration by and between the County and Family Service Association, Inc. a California nonprofit public benefit corporation ("FSA"), pursuant to Section 25339.4 of the California Government Code ("Section 25339.4"). The proposed Agreement provides for the conveyance by the County to FSA of certain real property consisting of approximately 1.51 acres, identified as Assessor's Parcel Numbers 182,290-023 and 182,290-025, located at 5888 Mission Blvd. in the City of Jurupa Valley ("Site") and the development thereon of a 34 unit multi-family senior housing development consisting of a 34 unit multi-family senior housing development with related law and low income households ("Affordable Units"), which shall be restricted by deed to remain in perpetuity for the longest feasible time, but not less than 30 years, pursuant to Section 25339.4.

The public hearing will be held to consider the proposed conveyance of the Site by the County to FSA for the development of a senior affordable housing multi-family development.

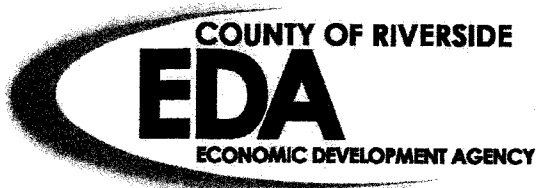
The following documents are available for public inspection and copying during regular business hours (8:00 a.m. to 5:00 p.m., Monday through Friday) at the offices of the County located at 5555 Arlington Avenue, Riverside, CA 92504:

1. A copy of the proposed Agreement and all attachments.

At any time before the date and time set forth above for the public hearing by the County, any written comments or objections to the proposed Agreement may be filed with the County Clerk. Comments may also be submitted during such period on the other documents referred to in this Notice. All persons wishing to question, comment, object to, or be heard on any or all such matters at the public hearing will be given an opportunity to appear and be so heard. If you later desire to challenge actions of the County in connection with these actions, you could be limited to raising issues you have raised at or before the public hearing.

Any interested person wishing to comment may submit written comments in person to Juan Garcia, Principal Development Specialist, by June 22, 2018, at the County offices listed above, or may appear and be heard at the time of the Public Hearing on June 26, 2018.

<u>Product</u>	<u>Requested Placement</u>	<u>Requested Position</u>	<u>Run Dates</u>	<u># Inserts</u>
PE Riverside:Full Run	Legals CLS	County Legal - 1076-	06/13/18	1



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on. 7/2/18 Date KB Initial

NOTICE OF EXEMPTION

June 13, 2018

Project Name: Eddie Dee Smith Disposition and Development Agreement for Affordable Housing Project, City of Jurupa Valley, County of Riverside

Project Number: EDH15001150

Project Location: 5888 Mission Boulevard, west of Riverview Drive, Jurupa Valley, Riverside County, California; Assessor's Parcel Numbers (APNs): 182-290-023, 182-290-025 (See attached exhibit)

Description of Project: The County of Riverside (County) owns and operates that certain real property comprised of an approximately 9,120 square foot building on approximately 1.51 acres of land in the City of Jurupa Valley, California (Eddie Dee Smith Center). Section 25539.4 of the Government Code permits a board of supervisors of a county to sell real property or interest therein to provide affordable housing to individuals where not less than forty percent of the total number of those housing units developed on any parcel shall be affordable to households whose incomes are equal to or less than seventy-five percent of the maximum income of lower income households, and at least twenty percent of which shall be affordable to very low income households equal to or less than fifty percent of the maximum income of lower income households, without complying with Sections 25520 through 25539.3 of the Government Code with respect to the selling of county owned land. Family Service Association, Inc., a California nonprofit public benefit corporation (FSA), entered into a Master License and Operating Agreement on May 9, 2017 with the County to operate the Eddie Dee Smith Center for a term of 3.5 years, ending June 30, 2020. FSA desires to acquire the Eddie Dee Smith Center from the County and build a multifamily rental housing development. In order to facilitate the project, the County is proposing to enter into a Disposition and Development Agreement (DDA) which would deed the property to FSA for the development and construction of the project. As part of the DDA, FSA will continue to operate the Eddie Dee Smith Center for a minimum of seven years in addition to the 3.5 years agreed to under the current Master License and Operating Agreement. At conclusion of the Master License and Operating Agreement, FSA agrees to continue to provide senior services at the same or greater level as they exist under the Master License and Operating Agreement in the City of Jurupa Valley at any other site operated by FSA in perpetuity after the above agreed upon term expires.

The execution of the DDA, which entails the acquisition of the Eddie Dee Smith Center by FSA, financing, planning, development and construction of the improvements pursuant to the DDA is identified as the proposed project under the California Environmental Quality Act (CEQA). As reasonably foreseeable, the proposed project qualifies as an affordable housing exemption for the reasons described below and is exempt pursuant to CEQA. Should any of the criteria for the affordable housing exemption change during the design of the project, the project would be required to undergo additional CEQA review with the City of Jurupa Valley acting as the lead agency.

Name of Public Agency Approving Project: County of Riverside

Name of Person or Agency Carrying Out Project: County of Riverside and Family Service Association, Inc.

JUN 26 2018 9.2

P.O. Box 1180 • Riverside, California • 92502 • T: 951.955.8916 • F: 951.955.6686

www.riverside.org

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Fair & National Date Festival
Foreign Trade
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Project Management
Purchasing Group
Real Property
Redevelopment Agency
Workforce Development

Exempt Status: State CEQA Guidelines, Section 15192 and Section 15194 Affordable Housing Project Exemption, Codified under Title 14, Articles 12.5, Sections 15192 and 15194.

Reasons Why Project is Exempt: The project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines 15192 and 15194 for the Affordable Housing Project Exemption. The project satisfies all of the threshold criteria under Section 15192 and criteria under 15194 as detailed below. The project is the proposed sale of real property that will be used to provide affordable housing. The project will continue to maintain community services to seniors and will provide a benefit to the community that is consistent with the developmental goals of the County and community.

- **Section 15192 – Threshold Requirements for Exemptions for Agricultural Housing, Affordable Housing and Affordable Housing Projects:** This Section provides the threshold requirements that a housing project must meet to qualify under the Affordable Housing Exemption identified in Section 15194. There are 15 thresholds of criteria that must be analyzed.
 - **(a) Consistency with Land use and Zoning.** The Jurupa Valley General Plan identifies that the City's overarching objective is to ensure that all residents have decent, safe, sanitary, and affordable housing, regardless of income, and that their neighborhoods are protected from conditions that lead to blight. In addition, the Regional Housing Needs Assessment (RHNA), mandated by State Housing Law as part of the periodic process of updating local housing elements of the General Plan, has identified a shortage of affordable housing units. The Housing Element of the Jurupa Valley General Plan has identified the need for affordable housing as one of the most significant housing problems in the city. As a result of this urgent need for affordable housing, the City has adopted an R-6 zoning classification for affordable housing. The use of this zoning is an effort to streamline the conversion of land uses within the city to provide for more affordable housing units. The use of the R-6 Zone allows for application to a specific geographic area only in conjunction with an approved plan for development, including any necessary land division maps, site development permits or other approvals, as required by the city, and that applications for the R-6 Zone and related projects are to receive priority processing by all city departments involved in the review and issuance of permits for the development. There are numerous policies within the Land Use and Housing Elements to develop and encourage the use of the R-6 zone, on at least 34 acres within the City. These policies call for consideration of establishing incentives for developers to incorporate new housing that is affordable to lower income households, such as: fast track/priority application and permit processing, density bonuses and/or fee waivers, assist affordable housing developers with right-of-way acquisition, off-site infrastructure improvements and other development costs, and to encourage the production of smaller, affordable housing, particularly in areas where appropriate and compatible with adjacent development. The project site's current land use entails the operation of a senior center. Adjacent to the project site, is an affordable housing project for seniors that is zoned R-6 and the area directly across Mission Boulevard is also zoned R-6. The rest of the surrounding area is zoned general commercial. As part of the approval process for the development, the project will include an application for an R-6 zone change to allow for the development of affordable housing. The change to R-6 zoning would be compatible with the adjacent R-6 zoning both to the north and south of the project site, and with the adjacent public services provided both at the library and senior center. The incorporation of 54 affordable housing units on the project site would be consistent with the general plan land use policies and with the use of the R-6 zoning pathway that is focused on providing affordable housing within the City. In addition, the City of Jurupa Valley, who oversees land use decisions regarding the project site, has the ultimate authority and determination in deciding land use and zoning consistency. If the City confirms that the land use and zoning is consistent with the development of affordable housing, the City will approve the plan for development. If the City determines that the project is not consistent with the land use and zoning, it will deny the project. Therefore, the project will only be allowed to proceed, if it is consistent with land use and zoning, and thus, the project meets the requirement of this threshold criteria.
 - **(b) Approval or Certification of Community-Level Environmental Review.** The Jurupa Valley General Plan underwent environmental review with the preparation of an Environmental Impact Report, and was adopted on September 17, 2017. Therefore, the project meets the requirement of this threshold criteria.

- **(c) No Expansion of Existing Utilities Required and Commitment to Applicable In-Lieu Development Fees.** The project site is currently occupied with the Eddie Dee Smith Senior Center, which has all of the necessary utility connections in place and an expansion of the existing utility system in Jurupa Valley will not be required to accommodate the project. As part of the project approval process with the City of Jurupa Valley acting as the lead agency, the developer will be subject to In-Lieu development fees prior to project approval. Therefore, the project meets the requirement of this threshold criteria.
- **(d) Project Site Does not Contain Significant Biological or Ecological Resources.** The project site is currently developed and is limited to ornamental landscaping which does not have a significant potential for ecological or biological value. In addition, the project site, is not within a criteria cell for the Western Riverside Multi-species Habitat Conservation Plan, which is an indicator of the presence of sensitive species or important biological and ecological habitats. Therefore, the project meets the requirement of this threshold criteria.
- **(e) Project Site is not Included on Cortese List of Hazardous Waste and Substances.** The project site is not listed on the list of facilities and sites compiled pursuant to Section 65962.5 of the Government Code, also referred to as the Cortese List. The nearest listed site is the Stringfellow Site, which is located approximately 3 miles northwest of the project site. Therefore, the project meets the requirement of this threshold criteria.
- **(f) Preliminary Endangerment Assessment.** The DDA for the project requires that a preliminary endangerment assessment be prepared by a registered environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity. The project site currently operates as a senior center and no known hazardous materials are known to exist on site which could pose a risk to future occupants. The project site is located along Mission Boulevard and is primarily surrounded by residential uses with limited commercial uses. The primary risk to the project site from a potential release of a hazardous material is the Circle K gas station, which is located approximately 500 feet to the east. However, the risk of a significant effect from a release at the gas station is not significant, as the occurrence of spills involving large volumes of fuel at retail gas stations is low. In addition, the gasoline sources at the station are located underground, have safety measures, such as double walled tanks and alarms. In addition, there is a fire station, located approximately 0.25 miles to the east of the project site, which would limit the potential for any effect from a release. The required preparation of an endangerment assessment by the DDA will provide further support and confirm that future occupants are not at risk from exposure to hazardous materials. In the unlikely event, that the endangerment assessment determines a potential risk to a significant effect related to a release on site or from a nearby source, the DDA also requires that the potential exposure risk be mitigated to a level of insignificance in compliance with state and federal regulations prior to occupancy of the project. Therefore, the project meets the requirement of this threshold criteria.
- **(g) Project Site does not Contain Significant Historical Resources.** The existing building on the project site was constructed in 1981, which is less than 50 years and is not considered old enough for consideration as a historical resource. Therefore, the project meets the requirement of this threshold criteria.
- **(h) Project Site is not Subject to Wildfire Hazards.** The project site is located within an urban area and does not contain slopes or a sufficient number of trees to be considered at risk for wildfires. The nearest mapped area that is classified with a high fire potential is located approximately one mile west of the project site. Therefore, the project meets the requirement of this threshold criteria.

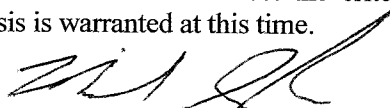
- **(i) Project Site is not Subject to High Risk From Explosion or Fire.** The project site is located along Mission Boulevard and is primarily surrounded by residential uses with limited commercial uses. There is not a large number of industrial uses, which have a higher potential from risk or explosion nor are there sufficient quantities of explosive material, such as fuel and propane in the area that would result in a significant risk from fire or explosion. The nearest risks to the project site include a Circle K gas station, which is located approximately 500 feet to the east. However, the risk to the project site is low, as the occurrence of explosions at retail gas stations is low; the gasoline sources at the station are located underground, have safety measures, and there are intervening structures between the gasoline source and the project site. There is also a storage facility adjacent to the west of the project site. However, there is an intervening block wall, the site has a large amount of impervious area that is not conducive to burning, and the nearest storage facilities have openings that face west in the opposite direction of the project site. In addition, there is a fire station, located approximately 0.25 miles to the east of the project site, which would limit the potential for any damage from explosion or fire. Therefore, the risk from explosion or fire is not high and the project meets the requirement of this threshold criteria.
- **(j) Project Site is not Subject to Risk of Public Health Exposure That Would Exceed Regulatory Standards.** The project site is located along Mission Boulevard and is primarily surrounded by residential uses with limited commercial uses. The nearest source of potential harmful emissions is the Circle K gas station which is located approximately 500 feet to the east of the project site. This is an isolated source as there are not additional sources in the vicinity. In addition, the 500 foot distance would be an acceptable spacing between the pollutant source at the gas station, as school sites, which contain children that are considered one of the most susceptible populations to air pollutants, are also required to be located 500 feet or more from any potential pollutant sources. Gas stations in this area are regulated by the South Coast Air Quality Management District which requires annual emissions reporting and inventories, permits to operate a dispensing and gas storage facility, and the incorporation of safety devices and features. These requirements ensures that there are procedures in place to ensure that regulatory levels are not exceeded. Based on the distance from the nearest source of pollutant emissions and regulatory requirements which ensure pollutant levels are not exceeded, no risk from public exposure would occur at the project site. Therefore, the project meets the requirement of this threshold criteria.
- **(k) Project Site is not Within Earthquake Fault Zone or Seismic Hazard Zone That has not Been Mitigated Through Land Use or Zoning.** The project site is not located within or in close proximity to a fault zone or seismic hazard zone. The nearest fault or seismic hazard zones to the project site are the San Jacinto Fault Zone, located approximately 10 miles to the east and the Elsinore Fault Zone, located approximately 20 miles to the west. Therefore, the project meets the requirement of this threshold criteria.
- **(l) Project Site is Subject to Landslides, Floods, or Restriction Zones That has not Been Mitigated Through Land Use or Zoning.** The project site is not located in a landslide zone, a flood zone, or other restrictive zone. The project site is generally flat, not in the proximity of any water bodies which would be subject to flooding, or any other restriction zone which would present a constraint to development. The nearest areas mapped as susceptible to landslides, flooding or other restrictions are located 2,500 feet to the west of the project site. Therefore, the project meets the requirement of this threshold criteria.
- **(m) Project Site is not Located on Developed Open Space.** The project site is developed with a Senior Center, and there is no functional open space, such as picnic areas, active recreation or gathering areas. The only functional outdoor space at the existing Senior Center, other than the parking lot is an impervious walking path, which would not be considered developed open space. Therefore, the project meets the requirement of this threshold criteria.
- **(n) Project Site is not Located within State Conservation Boundaries.** The project site is located within an urban area and the nearest State conservation area is the Santa Rosa and San Jacinto Mountains. The nearest boundary is approximately 40 miles from the project site. Therefore, the project meets the requirement of this threshold criteria.
- **(o) Project Has not Been Segmented Into Smaller Units.** The project consists of 54 units and is not part of any larger development, and no plans exist for future development. Therefore, the project meets the requirement of this threshold criteria.

- **Section 15194 – Affordable Housing Exemption:** In accordance with CEQA, the project is exempt if the development meets the following criteria identified in Section 15194.
 - **(a) Threshold Criteria in Section 15192 is Met.** As described above, the threshold criteria identified in Section 15192 has been met.
 - **(b) Project Size is not More than 5 Acres in Size.** The project site is 1.51 acres in size and meets the size criteria.
 - **(c) Location Criteria.** The project site is located within the City of Jurupa Valley, which has a population of 100,000 and the population density where the project site is located is 6,480 persons per square mile. This qualifies as an urbanized area as defined by the United States Census and meets requirement (1) (A) under the project location criteria. The project site is currently developed with a senior center and therefore meets requirement (2) (A) of the site-specific location criteria.
 - **(d) Affordable Housing Criteria.** The project will be developed with 54 affordable units that are available to low-income households and therefore meets requirement (1) of the affordable housing criteria. The Disposition and Development Agreement, along with the Approval process by the City of Jurupa Valley, acting as the lead agency will ensure a mechanism is in place to provide a long-term commitment for a period of at least 30 years at monthly housing costs deemed to be affordable rent for lower income, very low income, and extremely low income households. This meets requirement (2) of the affordable housing criteria.

The determination for the use of the exemption has been made on reasonably foreseeable events that will occur as a result of the execution of the DDA. The indirect effects from the execution of the DDA is the development, design, and construction of the affordable housing units. The DDA between the County and FSA is not deemed to be a final approval pursuant to CEQA and does not commit any public agency, including the City of Jurupa Valley, to a definite course of action regarding a project that may lead to an adverse effect on the environment or limit any choice of alternatives or mitigation measures prior to CEQA compliance. In addressing indirect effects of the purchase and sale, CEQA Guidelines 15004(b) identifies the necessity of balance in determining the timing of CEQA compliance, citing the need to enable environmental considerations to have influence on programming and design, while at the same time having enough detailed information for meaningful environmental assessment. The consideration of future indirect effects of development from the purchase and sale is based on what is reasonably foreseeable and assumed based on current information. In the event, that the project or circumstances change such that the requirements identified in Sections 15192 and Section 15194 are no longer met, or that the City of Jurupa Valley, the lead agency that will grant development approvals for the remainder of the project, determines that the criteria is not satisfied; FSA would be required to conduct additional environmental review to satisfy the requirements of CEQA based on the new information provided.

Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that the Project has been demonstrated to meet the criteria identified above and is thereby exempt as identified. No further environmental analysis is warranted at this time.

Signed: _____



Date: _____

6/13/18

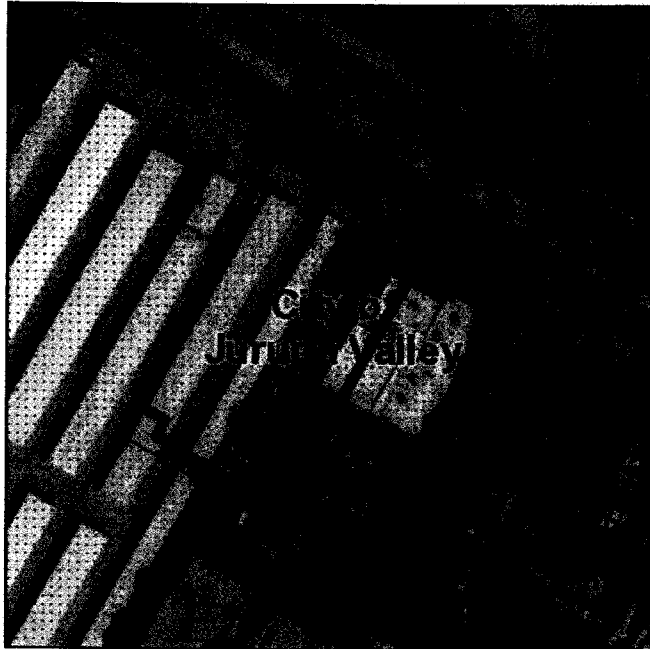
Mike Sullivan, Senior Environmental Planner
 County of Riverside, Economic Development Agency



Riverside County Parcel Report

APN(s) 182290023, 182290025

MAPS/IMAGES



PARCEL

APN 182-290-023-7
182-290-025-9

Previous APN 182-290-001
182-290-002

Owners 182-290-023
COUNTY OF RIVERSIDE

182-290-025
COUNTY OF RIVERSIDE

Address 182-290-023
NOT AVAILABLE

182-290-025
NOT AVAILABLE

Mailing Address 182-290-023
C/O REAL ESTATE DIVISION
P O BOX 1180
RIVERSIDE CA 92502

182-290-025
C/O REAL ESTATE DIVISION
P O BOX 1180
RIVERSIDE CA 92502

Legal Description 182-290-023
Recorded Book/Page: PM 8/60
Subdivision Name: PM 4932

Lot/Parcel: 1
Block:
Tract Number: 0

182-290-025
Recorded Book/Page: PM 8/60
Subdivision Name: PM 4932

Lot/Parcel: 2
Block:
Tract Number: 0

Lot Size 182-290-023
Recorded lot size is 1 acres

182-290-025
Recorded lot size is 0.51 acres

Property Characteristics 182-290-023
Year Constructed:
Number of Baths:
Number of Bedrooms:
Construction Type:
SPECIAL CONSTRUCTION
Garage Type:
Property Area (sq ft):
Roof Type: UNKNOWN
Number of Stories:
Pool: YES



Date: June 13, 2018

To: Mary Ann Meyer, Office of the County Clerk

From: Mike Sullivan, Senior Environmental Planner, Project Management Office

Subject: **County of Riverside Economic Development Agency Project # ED1H15001150**

Eddie Dee Smith Disposition and Development Agreement for Affordable Housing, City of Jurupa Valley, County of Riverside

The Riverside County's Economic Development Agency's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

After posting, please return the document to:

Mail Stop #1330

Attention: Mike Sullivan, Senior Environmental Planner,

Economic Development Agency,

3403 10th Street, Suite 400, Riverside, CA 92501

If you have any questions, please contact Mike Sullivan at 955-8009.

Attachment

cc: file

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Eddie Dee Smith Disposition and Development Agreement for Affordable Housing Project, City of Jurupa Valley, County of Riverside

Accounting String: 537080-21250-190060000 - EDH15001150


DATE: June 13, 2018

AGENCY: Riverside County Economic Development Agency

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: Mike Sullivan, Senior Environmental Planner, Economic Development Agency

Signature: 

PRESENTED BY: Juan Garcia, Principal Development Specialist, Housing Authority Riverside

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S): -

***NO FEE FOR RECORDING
PURSUANT TO GOVERNMENT
CODE SECTION 6103***

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Juan Garcia

SPACE ABOVE THIS LINE FOR RECORDERS USE

DISPOSITION AND DEVELOPMENT AGREEMENT

By and Between

COUNTY OF RIVERSIDE

and

FAMILY SERVICE ASSOCIATION

for

Eddie Dee Smith Affordable Housing Project

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ATTACHMENT NO. 5	-	GRANT DEED
ATTACHMENT NO. 6	-	SCOPE OF DEVELOPMENT
ATTACHMENT NO. 7	-	PROJECT BUDGET
ATTACHMENT NO. 8	-	PRELIMINARY TITLE REPORT
ATTACHMENT NO. 9	-	ENVIRONMENTAL INDEMNITY
ATTACHMENT NO. 10	-	ASSIGNMENT OF AGREEMENTS
ATTACHMENT NO. 11	-	AGREEMENT CONTAINING COVENANTS
ATTACHMENT NO. 12	-	REQUEST FOR NOTICE
ATTACHMENT NO. 13	-	ESCROW AGREEMENT

**DISPOSITION AND DEVELOPMENT AGREEMENT
(Eddie Dee Smith Housing Project)**

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (“DDA”) is entered into this 26th day of June, 2018, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“County”) and FAMILY SERVICE ASSOCIATION, a California nonprofit public benefit corporation (“FSA”). County and FSA are collectively referred to herein as the “Parties” and individually as a “Party.”

RECITALS

WHEREAS, County is the legal owner of record of real property located at 5888 Mission Boulevard (and also sometimes referred to as Eddie Dee Smith Senior Center) in the City of Jurupa Valley, State of California and referred to as assessor parcel numbers 182-290-023 and 182-290-025 described in the legal description attached hereto as Attachment No. 1 and incorporated herein by this reference and depicted on the Site Map attached hereto as Attachment No. 2 and incorporated herein by this reference (“Property”). The Property is partially improved with a 9,120 square foot multi-purpose building, adjacent landscaping and parking lot, as depicted on the Site Map attached hereto, open to the public with an emphasis on senior activities, commonly identified as the Eddie Dee Smith Senior Center;

WHEREAS, there is an unmet need for affordable housing within the County of Riverside;

WHEREAS, FSA is a California nonprofit public benefit corporation engaged in building safe and affordable housing for low-income families. FSA currently operates the Eddie Dee Smith Senior Center pursuant to that certain Master License and Operating Agreement dated May 9, 2017 and entered into between County and FSA;

WHEREAS, pursuant to California Government Code Section 25539.4, notwithstanding any other provision of law, whenever the board of supervisors determines that any real property owned by the county can be used to provide housing affordable to low and moderate income families, and this use is in the county’s best interest, the county may sell, convey or otherwise dispose of the real property at less than fair market value, to provide that affordable housing without complying with other provisions of Title 3, Division 2, Part 2, Chapter 5, Article 8 of the California Government Code;

WHEREAS, County is not in the business of developing affordable housing and pursuant to County Board of Supervisors Resolution No. 2018-_____ adopted on June 26, 2018, the County Board of Supervisors have determined that the Property can be used to provide housing affordable to low and moderate income families, that this use is in the County’s best interest, and the sale price shall be less than fair market value, all in accordance with California Government Code Section 25539.4;

WHEREAS, FSA desires to acquire the Property from County and develop and construct thereon a multifamily rental housing project comprised of approximately fifty-four (54) units , to be occupied by and rented to very low, low and moderate income households, as defined by California Health and Safety Code sections 50079.5, 50093 and 50105, in accordance with California Government Code Section 25539.4;

WHEREAS, no less than eighty (80) percent of the area of the Property shall be used for the development of housing as required under California Government Code Section 25539.4 (b);

WHEREAS, as part of the consideration to be paid for the Property, FSA also desires to continue to operate the Eddie Dee Smith Senior Center at the same or greater level of service, for an additional 7 years after the term of operation expires under the Master Agreement, at no additional cost to the County; and

WHEREAS, in furtherance of the public purposes set forth in Government Code 25539.4, and in order to facilitate the Project, the County desires to sell the Property to FSA for the development and construction thereon of the Project, and related improvements and amenities, as more specifically described herein.

NOW, THEREFORE, in consideration of the foregoing, and the promises and mutual covenants and conditions hereinafter set forth, the County and FSA hereby do agree as follows:

ARTICLE 1 SUBJECT OF AGREEMENT

Section 1.1 Recitals The Recitals set forth above are true and correct and incorporated herein by this reference.

Section 1.2 Definitions

For purposes of this DDA, the following capitalized terms shall have the following meanings:

“Affiliate” means (1) any Person directly or indirectly controlling, controlled by or under common control with another Person; (2) any Person owning or controlling ten percent (10%) or more of the outstanding voting securities of such other Person; or (3) if that other Person is an officer, director, member or partner, any company for which such Person acts in any such capacity. The term “control” as used in the immediately preceding sentence, means the power to direct the management or the power to control election of the board of directors. It shall be a presumption that control with respect to a corporation or limited liability company is the right to exercise or control, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the controlled corporation or limited liability company, and, with respect to any individual, partnership, trust, other entity or association, control is the possession, indirectly or directly, of the power to direct or cause the direction of the management or policies of the controlled entity. It shall also be a presumption that the managing General Partner of a limited partnership controls the limited partnership.

“Affordability Period” means a period of thirty (30) years, commencing from the recordation of the Notice of Completion in the Official Records for the last building for which construction is completed for the Project, in compliance with Government Code section 25539.4 (d) and (e).

“Affordable Rent” means rent (including a reasonable utility allowance) (i) for an Extremely Low Income Household which does not exceed the product of 30% times 30% of the area median income for Riverside County, adjusted for household size appropriate for the unit,

(ii) for a Very Low Income Household which does not exceed the product of 30% times 50% of the area median income for Riverside County, adjusted for household size appropriate for the, (iii) for a Low Income Household which does not exceed the product of 30% times 60% of the area median income for Riverside County, adjusted for household size appropriate for the unit, and (iv) for a Moderate Income Household which does not exceed the product of 30% times 110% of the area median income for Riverside County, adjusted for household size appropriate for the unit, in accordance with California Health and Safety Code section 50053. For purposes hereof, "adjusted for household size appropriate for the unit" shall mean for a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit, as defined in California Health and Safety Code section 50052.5 (h).

"Agreement Containing Covenants" means the regulatory agreement to be executed by FSA in favor of County pursuant to California Government Code section 25539.4 (d) and (e), the form of which is attached hereto as Attachment No. 11 and incorporated herein by this reference.

"Area Median Income" means the median family income of the Riverside-San Bernardino-Standard Metropolitan Statistical Area, adjusted for family size by the United States Department of Housing and Urban Development ("HUD") pursuant to Section 8 of the United States Housing Act of 1937, as determined by HUD and published from time to time by the California Department of Housing and Community Development.

"Assistant County Executive Officer" or "Assistant CEO or designee" means the Assistant County Executive Officer of the Economic Development Agency of the County of Riverside or his or her designee. County agrees to provide notice to FSA of the name of the Assistant CEO's designee on a timely basis, and to provide updates from time to time.

"Building Permit" means the building permit(s) issued by the City of Jurupa Valley and required for the development of the Project.

"City" means the City of Jurupa Valley, California.

"Closing" or "Close of Escrow" means with respect to the conveyance of the Property by County and the acquisition thereof by FSA, the point in time when all conditions precedent to such conveyance and acquisition have been satisfied in accordance with this DDA.

"Closing Date" means the date on which the Closing has occurred.

"Completion" means the point in time at which all of the following have been satisfied: (a) issuance of a certificate of occupancy by the City of Jurupa Valley for all the buildings of the Project required to be constructed pursuant to this DDA, (b) recordation of a Notice of Completion pursuant to Civil Code section 8182, (c) submission to the County, of unconditional lien releases or waivers obtained by FSA or FSA's agent, (d) certification by the City of Jurupa Valley Inspector that construction of the Improvements (with the exception of minor "punch list" items) has been completed in a good and workmanlike manner and substantially in accordance with the approved plans and specifications; (e) payment, settlement or other extinguishment, discharge, release,

waiver, bonding or insuring against any mechanic's liens that have been recorded or stop notices that have been delivered; and (f) the Property has been developed in accordance with this DDA, the Scope of Development and plans approved by the County and any other Governmental Authority pursuant to this DDA.

"Community Center" means the Eddie Dee Smith Senior Center located on a portion of the Property as depicted on the Site Map attached hereto as Attachment No. 2, currently operated by the FSA and open to the Public.

"Construction Lender" means an institutional lender which loans FSA a Construction Loan to finance a portion, or all of the costs to develop and construct the Project.

"Construction Loan" means the construction loan to be made by the Construction Lender.

"Construction Loan Deed of Trust" means the deed of trust securing the Construction Loan.

"Conversion Date" means the date that construction of the Project has been completed and all of the other conditions precedent in order for the Permanent Lender to fund the Permanent Loan have been satisfied.

"Conveyance" means the conveyance of the Property from County to FSA evidenced by recordation in the Official Records of the Grant Deed attached hereto as Attachment No. 5.

"County" means the County of Riverside, a political subdivision of the State of California.

"DDA" or "Agreement" means this Disposition and Development Agreement by and between the County and FSA which shall be recorded in the Official Records on title to the Property for the Term.

"Debt Service" means required debt service payments for the Construction Loan and/or the Permanent Loan including the funding obligations in respect of all reserves or escrows required thereunder.

"Development Costs" means all costs which are actually incurred by FSA for the acquisition of the Property and the financing, design, development and construction of the Project, including, without limitation, all of the items of cost set forth in the Project Budget and similar costs, fees and expenses.

"Effective Date" means the date the Chairman of the Board of Supervisors executes this DDA after approval by the Board of Supervisors.

"Entitlements" means any and all general plan amendments, zoning approvals or changes, required approvals and certifications under the California Environmental Quality Act (including and subject to all mitigation measures), tentative and final tract maps, variances, site plans, conditional use permits, demolition permits, excavation/foundation permits, grading permits, building permits, inspection reports and approvals, certificates of occupancy, and other approvals,

permits, certificates, authorizations, consents, orders, entitlements, filings or registrations, and actions of any nature whatsoever required from any governmental County in order to commence and complete the construction of the Improvements and occupancy and operation of the Project.

“Environmental Indemnity” means the form of Environmental Indemnity attached hereto as Attachment No. 9 and incorporated herein by this reference.

“Escrow Instructions” or “Escrow Agreement” means escrow instructions prepared on behalf of the County relating to the sale of the Property to FSA, conforming in form and substance to the Escrow Agreement attached hereto as Attachment No. 13 and incorporated herein by this reference.

“Force Majeure” or “Force Majeure Event” means any of the following events, provided that it actually delays and interferes with the timely performance of the matter to which it applies and despite the exercise of diligence and good business practices is or would be beyond the reasonable control of the party claiming such interference: war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation including litigation challenging the validity of this transaction or any element thereof; unusually severe weather; inability to secure necessary labor, materials or tools; acts of the other party; acts or failure to act of any Governmental Authority (except acts or failure to act of the County shall not excuse performance by the County); or the imposition of any applicable moratorium by a Governmental Authority; or any other causes which despite the exercise of diligence and good business practices are or would be beyond the reasonable control of the party claiming such delay and interference. Notwithstanding the foregoing, none of the foregoing events shall constitute a Force Majeure Event unless and until the party claiming such delay and interference delivers to the other party written notice describing the event, its cause, when and how such party obtained knowledge of the event, the date the event commenced, and the estimated delay resulting therefrom. Any party claiming a Force Majeure Delay shall deliver such written notice within fifteen (15) days after it obtains actual knowledge of the event.

“Force Majeure Delay” means any delay in taking any action required by this DDA, proximately caused by the occurrence of any Force Majeure Event.

“FSA” means Family Service Association, a California nonprofit public benefit corporation and any assignee of or successor to its rights, powers and responsibilities permitted by this DDA.

“Governmental Approvals” means and include any and all general plan amendments, zoning approvals or changes, required approvals and certifications under the California Environmental Quality Act, variances, conditional use permits, demolition permits, excavation/foundation permits, grading permits, building permits, inspection reports and approvals, certificates of occupancy, and other approvals, permits, certificates, authorizations, consents, orders, entitlements, filings or registrations, and actions of any nature whatsoever required from any Governmental Authority in order to commence and complete the construction of the Project.

“Governmental Authority” means the United States, the State of California, the City of Jurupa Valley, County of Riverside or any other political subdivision in which the Property is located, and any court or political subdivision, agency or instrumentality having jurisdiction over the Property.

“Grant Deed” means the instrument by which the County will convey title to the Property to FSA, substantially in the form attached hereto as Attachment No. 5 and incorporated herein by this reference.

“Hazardous Substances” and “Hazardous Materials” shall have the meaning set forth in Section 2.10.1 of this DDA.

“HUD” means the United States Department of Housing and Urban Development.

“Improvements” means all of the improvements to be constructed on the Property as specifically described in the Scope of Development attached hereto as Attachment No. 6 and incorporated herein by this reference, and any other plans and/or specifications approved by Governmental Authorities in connection with the Project, including, but not limited to an approximately fifty-four unit multifamily affordable housing complex, senior center.

“Low Income” shall mean a household income that does not exceed 75% of the area median income for the County of Riverside, adjusted by family size.

“Master License and Operating Agreement” means that certain Master License and Operating Agreement dated May 9, 2017 between the County and FSA relating to, among other things, the operation of the Senior Center, with a term expiring on June 30, 2020.

“Method of Financing” shall mean the document attached to this DDA as Attachment No. 3 incorporated herein by this reference.

“Moderate Income” shall have the meaning set forth in California Health and Safety Code Section

“Official Records” means the Official Records of the Office of the County Recorder for the County of Riverside, California.

“Permanent Lender” means the institutional lender who at the Completion of the Project takes out the Construction Loan and provides permanent financing for the Project.

“Permanent Loan” means the loan made by the Permanent Lender at the Conversion Date.

“Permitted Exceptions” means those encumbrances, liens, taxes, assessments, easements, rights of way, leases, covenants, agreements or other exceptions affecting title to the Property as of the date of recordation of the Grant Deed which are approved in Section 2.5 below or otherwise in writing by the FSA as set forth in that certain FSA approved Preliminary Title Report for the Property issued by Lawyers Title Company dated July 11, 2017 which is attached hereto as Attachment No. 8 and incorporated herein by this reference. Although the Preliminary Title Report was issued by Lawyers Title Company, the parties will use Lawyer’s Title Company to close this transaction, and the Permitted Exceptions to the Preliminary Title Report to be issued by the Title Company shall be the same as set forth in Section 2.5 and the Preliminary Title Report issued by Lawyers Title Company which is attached.

“Permitted Transfer” means assignment of all or any part of this DDA or any right therein,

or the sale, agreement to sell, transfer, conveyance or assignment of the Property or any portion thereof or interest therein to any of the following:

- (1) A conveyance of a security interest in the Property in connection with any Senior Loan and any transfer of title by foreclosure, deed or other conveyance in lieu of foreclosure in connection therewith;
- (2) A conveyance of the Property to an Affiliate;
- (3) A partnership or limited liability company in which FSA, or an entity controlled by FSA, is the managing general partner or managing member and is in control thereof;
- (4) The admission of additional new general or limited partners or members, or the substitution or deletion of partners or members to any such partnership or limited liability company set forth in clause a. above, so long as FSA or an entity controlled by FSA continues in control;
- (5) A corporation that is wholly owned and that is controlled by FSA or an entity controlled by FSA;
- (6) The lease for occupancy of all or any part of the Improvements within the Property; and
- (7) The granting of easements, licenses or permits to facilitate the development of the Property in accordance with this DDA.

Any transfer described in clauses (1) through (7) shall be subject to the reasonable approval of documentation by the Assistant County Executive Officer or designee.

“Person” means an individual, partnership, limited partnership, trust, estate, association, corporation, limited liability company, or other entity, domestic or foreign.

“Plans” means any architectural and construction plans and drawings prepared on behalf of FSA for the Project in accordance with this DDA.

“Project” means the acquisition of the Property by FSA from County and FSA’s development and construction on the Property of the Improvements pursuant to this DDA, including, but not limited to the Scope of Development attached hereto as Attachment No. 6.

“Project Budget” means the schedule of sources and uses of funds necessary to pay Development Costs attached to this DDA as Attachment No. 7 and incorporated herein by this reference.

“Property” means that certain real property consisting of approximately 1.51 acres of land located on Mission Blvd, in the City of Jurupa Valley identified as Assessor Parcel Numbers 182-290-023 and 182-290-025, as further described in the Legal Description attached hereto as Attachment No. 1 and as depicted on the Site Map attached hereto as Attachment No. 2.

“Restricted Unit(s)” means the twenty-two Units that shall be designated as affordable units within the Project to be exclusively rented to and occupied by Very Low and Low Income Households for an Affordable Rent.

“Senior Loan” means the source of financing in the form of a Construction Loan, a

Permanent Loan or any other loan, credit enhancement or construction period guaranty facility secured by a deed of trust or other instrument against the Property.

“Schedule of Performance” means the schedule attached hereto as Attachment No. 4 and incorporated herein by this reference.

“Scope of Development” means the Scope of Development attached hereto as Attachment No. 6 and incorporated herein by this reference.

“Term” means the term of this DDA, which shall be the period of thirty (30) years from the date of recordation of the Notice of Completion for the last building built as part of the Improvements in the Official Records.

“Title Company” means Lawyers Title Company, or another title insurance company mutually agreed upon by the Assistant County CEO and FSA.

“Unit” means each of the approximately fifty-four (54) rental dwelling units required to be developed by the FSA under this DDA.

“Very Low Income” shall have the meaning set forth in California Health and Safety Code Section 50105.

Section 1.3 Purpose of Agreement

The purpose of this DDA is to effectuate the County’s determination that the Property can be used to provide housing affordable to low and moderate income families, that this use is in the County’s best interest, and the sale price shall be less than fair market value, all in accordance with California Government Code Section 25539.4 and as set forth in Board of Supervisors Resolution No. 2018-_____ adopted on June 26, 2018. A portion of the Units located on the Property shall be rented to and occupied by Very Low, Low and Moderate income families for an Affordable Rent for a period of thirty (30) years. In addition, as part of the consideration FSA shall continue to operate the Senior Center located on the Property for a period of ten (10) years after the expiration of the Master License and Operating Agreement as provided herein. The development and use of the Property pursuant to this DDA, and the fulfillment generally of this DDA, are in the vital and best interests of the County of Riverside and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state, and local laws.

Section 1.4 The County

(a) The County is a political subdivision of the State of California. The principal office of the County is located at 5555 Arlington Avenue, Riverside, California 92504.

(b) “County” as used in this DDA includes the County of Riverside, by and through its Economic Development Agency, and any assignee of or successor to its rights, powers and responsibilities.

Section 1.5 FSA

FSA is Family Service Association, Inc., a California nonprofit public benefit corporation. The principal address of FSA for purposes of this DDA is 21250 Box Springs Road, Suite 207, Moreno Valley, CA 92557. Whenever the term "FSA" is used herein, it shall mean and include the FSA as of the date of this DDA, and any assignee of or successor to the rights, powers and responsibilities of FSA permitted by this DDA.

Section 1.6 Assignments and Transfers

(a) FSA represents and agrees that its undertakings pursuant to this DDA are for the purpose of redeveloping the Property and providing affordable rental housing for Very Low, Low and Moderate Income Households, and not for speculation in land holding. FSA further recognizes that the qualifications and identity of FSA are of particular concern to the County, in light of the following: (1) the importance of the development of the Property to the general welfare of the community; (2) the public assistance that has been made available by law and by the government for the purpose of making such redevelopment possible; and (3) the fact that a change in ownership or control of FSA or any other act or transaction involving or resulting in a significant change in ownership or control of FSA, is for practical purposes a transfer or disposition of the property then owned by FSA. FSA further recognizes that it is because of such qualifications and identity that the County is entering into the DDA with FSA. Therefore, no voluntary or involuntary successor in interest of FSA shall acquire any rights or powers under this DDA except as expressly permitted herein.

(b) Prior to Completion, FSA shall not assign all or any part of this DDA, or any interest herein, without the prior written approval of the County. Subject to review of documentation effectuating any such proposed assignment or transfer, the County agrees to reasonably give such approval if the assignment is a Permitted Transfer.

(c) For the reasons cited above, FSA represents and agrees for itself and any successor in interest that prior to Completion, without the prior written approval of the County, there shall be no significant change in the ownership of FSA or in the relative proportions thereof, or with respect to the identity of the parties in control of FSA or the degree thereof, by any method or means, except Permitted Transfers.

(d) Any assignment or transfer of this DDA or any interest herein or significant change in ownership of FSA, other than certain Permitted Transfers, shall require the written approval of the County, which shall not be unreasonably withheld. To the extent County approval of an assignment or transfer is required by this DDA, in granting or withholding its approval, County shall base its decision upon the relevant experience, financial capability and reputation of the proposed assignee or transferee and the effect, if any, of such proposed transfer on the public purposes of this DDA.

(e) FSA shall promptly notify the County of any and all changes whatsoever in the identity of the parties in control of FSA or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information. Except for Permitted Transfers, this DDA may be terminated by the County if there is any significant change (voluntary or involuntary) in membership, management or control, of FSA (other than such changes occasioned by the death or incapacity of any individual) prior to Completion. In the event, prior to Completion, of the death

or incapacity of any individual who controls FSA or the managing member of FSA, any resulting change in the management of the Improvements or the control of the day-to-day operations of the Property and the Improvements shall be subject to the approval of the Assistant County Executive Officer or designee.

(f) Permitted Transfers and any other assignments or transfers approved by the County shall be evidenced by the FSA's, assignee's, and County's execution of an assignment and assumption agreement substantially approved as to form and substance by the County and County Counsel.

ARTICLE 2 DISPOSITION OF THE PROPERTY

Section 2.1 Conveyance of the Property; Purchase Price

At such time as all conditions precedent to the conveyance of the Property have been satisfied, in consideration for the covenants, representations, and warranties provided herein by FSA and upon receipt by County of One Dollar (\$1.00) ("Purchase Price"), County shall convey the Property to FSA in accordance with the terms and conditions set forth herein and for the purposes set forth in California Government Code Section 25539.4.

Section 2.1.1 Termination of Agreement

Subject to the notice and cure provisions set forth in Section 5.1 and to the enforced delay provisions set forth in Section 6.4 of this DDA, the County at its option may terminate this DDA pursuant to Sections 5.8 and 5.9 if any of the conditions precedents to the conveyance of the Property or construction related obligations are not satisfied by FSA or waived in writing by the County within the time frames set forth in the Schedule of Performance (Attachment No. 4).

Section 2.2 Escrow

FSA agrees to open an escrow for the conveyance of the Property with the Title Company or with any other licensed escrow company first approved by the County and FSA ("Escrow Agent"), no later than the date established therefor in the Schedule of Performance. No later than the time provided in the Schedule of Performance, the County shall cause to be prepared and shall deliver the Escrow Instructions to the Escrow Agent. The County's Assistant County Executive Officer and the FSA shall provide such additional or amended escrow instructions as may be necessary to close the escrow with respect to the conveyance of the Property, and consistent with this DDA.

Section 2.3 Possession of Property Upon Close of Escrow

(a) Conveyance of the Property shall occur on or before the date set forth in the Schedule of Performance (Attachment No. 4), or such later date as mutually agreed to in writing by the County and FSA and communicated in writing to the Escrow Agent pursuant to Section 2.2 herein; provided, however, it is the mutual intention and desire of the County and FSA to close Escrow on or before September 15, 2018. The County and FSA agree to perform all acts necessary to convey title in sufficient time for escrow to be closed in accordance with the foregoing provisions.

(b) Possession of the Property shall be delivered to FSA concurrently with the Close of Escrow, except that access and entry may be granted before the Close of Escrow pursuant to Section 2.12 of this DDA.

Section 2.4 Form of Deed

The County shall convey title to the Property to FSA in the condition provided in Section 2.5 of this DDA, by Grant Deed substantially conforming in form and substance to the form of Grant Deed attached hereto as Attachment No. 5 and incorporated herein by this reference.

Section 2.5 Condition of Title

The County shall convey to the FSA the Property free and clear of all liens, encumbrances, covenants, restrictions, easements, leases, taxes and other defects; except those which are set forth in this DDA and included in the Grant Deed and Agreement Containing Covenants, and those which are otherwise consistent with this DDA and which are acceptable to FSA. FSA hereby approves of all exceptions to title for the Property set forth in that certain Lawyers Title Company Preliminary Title Report dated July 11, 2017 and attached hereto as Attachment No. 8 and incorporated herein by this reference.

Section 2.6 Closing Date

Subject to any mutually agreed-upon extension of time, the parties shall use their best efforts to satisfy all conditions precedent to the Closing prior to the date specified therefor in the Schedule of Performance.

Section 2.7 Title Insurance

(a) Concurrently with the recordation of the Grant Deed, Title Company shall provide and deliver to FSA an Owner's Title Insurance Policy, issued by the Title Company insuring that the fee interest to be conveyed is vested in FSA in the condition required by Section 2.5 of this DDA ("Owner's Title Policy"). The Title Company shall provide County with a copy of the Owner's Title Policy. The Owner's Title Policy shall be in the amount specified by FSA.

(b) If FSA elects to secure an A.L.T.A. owner's policy or to secure an A.L.T.A. lender's policy for the benefit of any lender for which a mortgage will or is intended to be granted covering the Property as permitted by the terms of this DDA, County shall cooperate with FSA, at no cost to County, to obtain such policies by providing surveys and engineering studies in its possession which relate to or affect a condition of title or a geological condition. In providing such surveys and engineering studies, County does not warrant the accuracy or sufficiency of such material. The responsibility of County assumed by this paragraph is limited to cooperating in good faith with FSA. County shall have no obligation to incur any cost or to take any action necessary to obtain an A.L.T.A. policy.

(c) FSA shall pay all premiums for all title insurance policies and coverage and special endorsements with respect to the Property. The County shall not be responsible for paying any title insurance costs or premiums.

Section 2.8 Taxes and Assessments

Ad valorem taxes imposed on the Property as to any period prior to the Closing shall be borne by the County. All ad valorem taxes imposed on the Property as to any period after the Closing shall be the sole responsibility of and paid by FSA.

FSA acknowledges and agrees that County is relieved of any responsibility for payment of any and all assessments (but not ad valorem taxes) levied against the Property, including, but not limited to assessments levied by the City of Jurupa Valley or local water district, ("Assessments") which became due and payable prior to the close of escrow conveying the Property to FSA and/or became due and payable after the close of escrow conveying the Property to FSA. FSA further acknowledges and agrees that FSA shall pay any and all past due or current Assessments due and owing in connection with the Property whether or not FSA owned fee title to the Property when such Assessment was levied, accrued and/or became due.

Section 2.9 Occupants of the Property

Except for the rights set forth in the Master License and Operating Agreement, the County warrants and agrees that title to the Property shall be conveyed free of any possession and any right of possession except that of FSA, except as expressly waived in writing by FSA in writing, and the Permitted Exceptions.

Section 2.10 Condition of the Property

Section 2.10.1 Hazardous Substances

(a) "Hazardous Materials" or "Hazardous Substances" shall include, but not be limited to, oil, flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, hazardous wastes, toxic or contaminated substances or similar materials, including, without limitation, any substances defined as "extremely hazardous substances," "hazardous substances," "hazardous materials," "hazardous waste" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, including the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Sections 9601 et seq. ("CERCLA"); the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Sections 6901, et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Section 11001 et seq.; the Mine Safety and Health Act of 1977, as amended, 30 U.S.C. Section 801 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. Section 300f et seq.; and those substances defined as "hazardous waste" in Section 25117 of the California Health and Safety Code, as "infectious waste" in Section 25117.5 of the California Health and Safety Code, or as "hazardous substances" in Section 25316 of the California Health and Safety Code, or "hazardous materials" as defined in Section 353 of the California Vehicle Code; waste that exhibits the characteristics set forth in Section 25141 (b) of the California Health and Safety Code; and in the regulations adopted

and orders and publications promulgated pursuant to said laws.

(b) FSA hereby represents and warrants that the development, construction and uses of the Property permitted under this DDA (i) will comply with all applicable environmental laws; and (ii) do not require the presence of any Hazardous Substance on the Property.

(c) Within seven (7) business days of written request by FSA, County shall deliver to FSA, if not previously delivered, all documents relevant to the condition of the Property within the County's possession, including, environmental reports, studies, surveys, and all other relevant documents within the County's possession (collectively referenced as "Documents"). County does not warrant the accuracy of the Documents or that the Documents constitute all documents that may exist regarding the conditions of the Property. FSA shall conduct its own inquiry to determine if more information is available.

(d) FSA shall execute and deliver to County an Environmental Indemnity substantially conforming in form and substance to the Environmental Indemnity attached hereto as Attachment No. 9 as a condition precedent to the County's conveyance of the Property to FSA.

Section 2.11 Suitability of the Property

(a) Prior to Closing, FSA shall have the right to engage, at its sole cost and expense, its own environmental consultant ("FSA's Environmental Consultant"), to make such investigations as FSA deems necessary, including without limitation any "Phase 1" and/or "Phase 2" investigations of the Property or any portion thereof, and to perform or cause any other consultants to perform any other desired due diligence investigations, and the County shall promptly be provided a copy of all reports and test results provided by FSA's Environmental Consultant (the "Environmental Reports").

(b) The Property shall be delivered from County to FSA in an "as is" physical condition, with no warranty, express or implied by County as to the presence of Hazardous Substances, or the condition of the soil, its geology or the presence of known or unknown faults. If the condition of the Property is not in all respects entirely suitable for the use or uses to which such Property will be put, then it is the sole responsibility and obligation of FSA to place the Property in all respects in a condition entirely suitable for the development thereof, solely at FSA's expense.

(c) Effective upon Closing, FSA agrees to indemnify, defend and hold harmless the County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives, in accordance with the Environmental Indemnity (Attachment No. 9).

(d) On and after the Effective Date of this Agreement, FSA hereby waives, releases and discharges the County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives, from any and all present and future claims, demands, suits, legal and administrative proceedings, and from all liability for damages, losses, costs, liabilities, fees and expenses (including, without limitation, attorneys' fees) arising out of or in any way connected with the County's or FSA's use, maintenance, ownership or operation of the Property, any Hazardous Substances on the Property, or the existence of Hazardous Substances contamination in any state on the Property, however the Hazardous Substances came to be placed

there, except that arising out of the gross negligence or willful misconduct of the County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives. FSA acknowledges that it is aware of and familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

To the extent of the release set forth in this Section 2.11, FSA hereby waives and relinquishes all rights and benefits which it may have under Section 1542 of the California Civil Code.

Section 2.12 Property Access Prior to Close of Escrow

Beginning on the Effective Date of this DDA and ending at the Closing, FSA and representatives of FSA shall have the right of access to and entry upon the Property at all reasonable times, for the purpose necessary to carry out this DDA.

Section 2.13 Method of Financing

The Project shall be financed with a combination of sources of financing, , as provided in the Method of Financing, attached hereto as Attachment No. 3 and incorporated herein by this reference. FSA shall pay all costs to develop and construct the Project as required in this Agreement and any Governmental Authority with jurisdiction over the Property.

Section 2.14 Representations and Warranties

(a) As an inducement to the County to enter into this DDA and consummate the transactions described herein, FSA hereby represents and warrants to the Authority, which representations and warranties are true and correct as of the date of this DDA and which shall survive the Close of Escrow:

(1) FSA has the legal power, right and authority to enter into this DDA and the instruments referenced herein, and to satisfy all obligations of the FSA in this DDA or in any instrument or document referred to herein (referred to collectively as the “FSA’s Obligations”);

(2) This DDA and all documents required hereby to be executed by FSA are, and shall be, valid, legally binding obligations of and enforceable against FSA in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium laws or similar laws or equitable principles affecting or limiting the rights of contracting parties generally;

(3) There is no charter, bylaw, or capital stock provision of FSA, and no provision of any indenture, instrument, or agreement, written or oral, to which FSA is a party or which governs the actions of FSA or which is otherwise binding upon FSA or FSA’s property, nor is there any statute, rule or regulation, or any judgment, decree, or order of any court or County binding on FSA or FSA’s property which would be contravened by the execution, delivery or performance of any of FSA’s Obligations;

(4) There is no action, suit, or proceeding at law or in equity or by or before any governmental instrumentality or other County now pending, or, to the knowledge of FSA,

threatened against or affecting FSA, or any properties or rights of FSA, which, if adversely determined, would materially impair the right of FSA to execute or perform any of the FSA's Obligations, or would materially adversely affect the financial condition of FSA;

(5) Neither the execution and delivery of this DDA, including any attachments hereto or documents related to this DDA, nor the incurrence of the FSA's Obligations, nor the consummation of the transactions herein contemplated, nor compliance with the terms of this DDA and the documents referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreements or instruments to which FSA is a party;

(6) No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings are pending or threatened against FSA, nor are any of such proceedings contemplated by FSA;

(7) All reports, documents, instruments, information and forms of evidence delivered to the County concerning or required by this DDA are accurate, correct and sufficiently complete to give the County true and accurate knowledge of their subject matter, and do not contain any misrepresentation or omission; and

(8) No representation, warranty or statement of FSA in this DDA contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements or facts contained therein not misleading.

FSA's representations and warranties made in this Section 2.14 shall be continuing and shall be true and correct as of the date of the Close of Escrow with the same force and effect as if remade in a separate certificate at that time. The truth and accuracy of the FSA's representations and warranties made herein shall constitute a condition for the benefit of the County to the performance of the County's obligations hereunder.

Section 2.15 Conditions Precedent to the Close of Escrow

The Close of Escrow is conditioned upon the occurrence of each of the following conditions on or prior to the scheduled Closing Date as set forth in the Schedule of Performance (Attachment No. 4), unless otherwise waived in writing by the County's Assistant CEO or designee:

1. FSA shall have duly performed each and every obligation to be performed by FSA hereunder prior to the Close of Escrow and FSA's representations, warranties and covenants set forth in this DDA shall be true and correct as of the date of the Close of Escrow;
2. FSA shall not be in default under this DDA;
3. The Title Company shall be committed to issue a standard ALTA form Lender's Title Insurance Policy to the County or such other title insurance as the parties may request pursuant to Section ____ of this DDA;
4. FSA shall have submitted to the County evidence of the insurance policies required by this DDA;
5. FSA shall have delivered documentation relating to the corporate, partnership, limited liability or other similar status of FSA and its general partner(s), including, without limitation and as applicable: limited partnership agreements and any amendments thereto;

articles of incorporation; Limited Liability Company Articles of Incorporation (LLC-1); Statement of Information and Operating Agreement (including any amendments thereto); copies of all resolutions or other necessary actions taken by such entity to authorize the execution of this DDA and related documents; a certificate of status issued by the California Secretary of State; and a copy of any Fictitious Business Name Statement, if any, as published and filed with the Clerk of the County of Riverside;

6. Escrow Agent shall have approved such supplemental recording instructions as may have been prepared on behalf of the County; and
7. County, FSA and/or other parties, as appropriate, shall have executed and delivered to the County, and be in a position to file or record, as appropriate, the following documents:
 - a. Agreement Containing Covenants (Attachment No. 11, to be signed and acknowledged by FSA and County);
 - b. Assignment of Agreements, Plans, Specifications and Entitlements (Attachment No. 10, to be signed by FSA and project architect);
 - c. Environmental Indemnity (Attachment No. 9, to be signed by FSA);
 - d. Escrow Agreement (Attachment No. 13, to be signed by County and FSA);
 - e. Any other document reasonably required by the Assistant County CEO or designee.

When all conditions precedent have been satisfied to the satisfaction of the Assistant County CEO, the Assistant County CEO shall execute and submit to the Escrow Agent a written statement or other form of written authorization stating that all conditions precedent to the Close of Escrow and recording of the documents have been satisfied or waived, if such be the case.

Section 2.16 Failure of Conditions to Close of Escrow

In the event any of the conditions precedent to the Close of Escrow for the conveyance of the Property by County to FSA are not timely satisfied and/or waived by the party for whose benefit the condition was made for any reason other than a default by the party for whose benefit the condition was made the following shall occur:

(a) The party for whose benefit the condition was made shall have the right to terminate this DDA, the Escrow and the rights and obligations of County and FSA hereunder, except as otherwise provided herein; and

(b) In the event of termination, the Escrow Agent is hereby instructed to promptly return to FSA and County all funds, if any, and documents deposited by them, respectively, into Escrow which are held by Escrow Agent on the date of said termination (less, in the case of the party otherwise entitled to such funds, the amount of any cancellation charges required to be paid by such party hereunder); and

(c) Neither party shall have any further rights or obligations hereunder except as

otherwise provided herein.

In the event this Escrow terminates because of the non-satisfaction of any condition or the default of County or FSA under this DDA, the cancellation charges, if any, required to be paid by and to Escrow Agent and the Title Company, shall be borne by the party in default.

Section 2.17 Post-Close of Escrow Conditions and Obligations

As an inducement to the County to convey the Property to FSA prior to the FSA's delivery of evidence of financing required to pay all Development Costs, the FSA covenants and agrees as follows:

(a) FSA shall obtain the County's written approval of all financing described in Section 2.19 of this DDA and the Method of Financing (Attachment No. 3, and the Assistant CEO shall have approved evidence relating to the Construction Loan, and all documents required to be executed in connection with such financing shall have been duly executed, acknowledged and delivered by FSA to County, on or before December 20, 2023, or such other date set forth in the Schedule of Performance as may be amended from time to time.

(b) FSA shall retain a registered environmental assessor to prepare a preliminary endangerment assessment pursuant to Section 3.1.2 of the DDA within the time frame set forth in the Schedule of Performance (Attachment No. 4). FSA shall deliver to the County a list of all permits required for the construction of the Improvements of the Project, and shall demonstrate to County that all variances, entitlements and approvals have been obtained and that all conditions for the issuance of all necessary permits have been satisfied with respect to the Project (with the exception of payment of fees, which payment is provided for in the approved Project Budget), on or before December 20, 2023, or such other date set forth in the Schedule of Performance as may be amended from time to time ("Due Date"). If only an excavation/ grading/ foundation permit is to be issued on the Due Date, FSA shall deliver to the County a "will issue" letter from the applicable Government Authority evidencing the Government Authority's commitment to issue building permits for the Project.

(c) The Property is being conveyed to FSA upon the express condition that development and construction of the Project must occur within the time period set forth in the Schedule of Performance, as such time period may be extended at the discretion of the Assistant CEO pursuant to Section 3.7 below. In the event FSA fails to satisfy all obligations set forth herein related to development and construction of the Project, after notice and opportunity to cure, the Property, including, but not limited to all improvements located thereon, shall immediately revert to the County, in its as-is condition, and FSA shall forfeit its title thereto and immediately surrender possession of the Property ("Reverted Property") to the County pursuant to Section 5.10 of this DDA. This condition subsequent shall be deemed incorporated into the Grant Deed. To effectuate this reverter, FSA covenants and agrees that, at the request of the County, it will immediately deliver to the County a quitclaim deed, executed in recordable form and in a form and substance first approved by the Assistant CEO and County Counsel, conveying to the County all of FSA's right, title and interest in and to the Reverted Property. The Assistant CEO shall have the right to execute the Certificate of Acceptance on behalf of the County accepting fee title to the Reverted Property, including any improvements thereon.

(d) If FSA commences grading, demolition, construction or other work on the Property, or any portion thereof, FSA shall carry out all such work at its own risk and the County shall have no liability for any losses or damages suffered by FSA in the event FSA is unable to secure a Construction Loan within the time period set forth in the Schedule of Performance, as such time period may be extended at the discretion of the Assistant CEO. FSA, for itself, and for its successors and assigns, does hereby forever release and discharge the County, its Agencies, Boards, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives, from any and all claims, demands, actions, causes of action, obligations, costs, expenses, attorneys' fees, expert and consultant fees, damages, losses and liabilities of whatsoever nature, character or kind, whether known or unknown, accrued or unaccrued, suspected or unsuspected, which concern, arise out of, or are in any way connected with such work or activities of FSA. FSA shall defend, indemnify and hold the County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives harmless from any claims brought by FSA's contractors, subcontractors and their suppliers of any tier that concern, arise out of, or are in any way connected with such work or activities, for non-payment of labor, equipment or materials furnished to the Project.

(e) Upon the reverter of title to the County pursuant to this Section 2.17, FSA shall do the following with respect to the Reverted Property:

- (1) If requested by the County, fill in and restore any excavation to a level condition;
- (2) Clean the Reverted Property and remove all trash, debris or material waste caused by the performance of the work or by the activities of FSA, its subcontractors, representative or agents;
- (3) Remove all equipment and stored materials and supplies, except as otherwise agreed by the County in its sole discretion; and,
- (4) Take reasonable steps determined in consultation with the County, which may include but not be limited to the erection of perimeter fencing, to secure the Reverted Property from damage or loss due to vandalism and to prevent the unauthorized entry of persons or vehicles onto the Reverted Property.

(f) If the filling, leveling, clean-up, removal, securing and delivery of the Property which is required in this Section 2.17 is not promptly undertaken by FSA, then the County may, after notice to FSA, immediately take such actions and charge FSA for the costs thereof. FSA shall promptly remit payment of such costs to the County.

Upon the reversion of title to the Reverted Property to the County evidenced by recordation of a quit claim deed granting title to County and County's possession of the Reverted Property, this DDA shall terminate. Within ten (10) business days of such termination, FSA shall deliver to County all work product prepared with regard to the development and construction of the Reverted Property, including, but not limited to, all plans, construction documents, soils tests and similar reports, permits and other entitlements to the County. In the event of the termination of this DDA due to a default by FSA, County shall also have the right to assume all right, title and interest in and to any and all architectural agreements and plans and specifications prepared by any architect, engineer or any person for or on behalf of FSA in connection with the development and construction of the Improvements pursuant to that certain Assignment of Agreements (Attachment No. 10) dated on or about the date hereof and executed by FSA to secure performance by FSA of

all FSA obligation under this DDA. FSA shall promptly deliver to County all plans, specifications, architectural agreements and other documents required to be delivered to County under the Assignment of Agreements.

(g) FSA shall reimburse the County immediately upon written demand by the County for all costs reasonably incurred by the County (including the reasonable fees and expenses of attorneys and other consultants) in connection with the enforcement of this Section 2.17, including without limitation (i) costs incurred to cure a default by FSA under the Construction Loan, (ii) costs incurred pursuant to paragraph (f) of this Section, and (iii) costs incurred to effectuate the reverter to the County of title to the Reverted Property. Such reimbursement obligations shall survive the termination of this DDA.

Section 2.18 Evidence of Financing

(a) Within the time frame set forth in the Schedule of Performance, FSA shall deliver to the County evidence satisfactory to the County that FSA has obtained the financing necessary to pay all Development Costs for the Project to be developed and constructed on the Property in accordance with this DDA. Such evidence of financing shall include the following:

1. A copy of all loan documents, including a final project budget approved by Construction Lender and Permanent Lender, certified by FSA to be a true and correct copy or copies thereof;
2. A copy of the contract between FSA and the general contractor for the construction of the Improvements, certified by FSA to be a true and correct copy thereof.

ARTICLE 3 DEVELOPMENT OF THE PROPERTY

Section 3.1 Land Use Approvals

It is the responsibility of FSA, without any cost to County, to ensure that zoning of the Property and all applicable County and City land use requirements will permit development and construction of the Improvements and the use, operation and maintenance of such Improvements in accordance with the provisions of this DDA. Nothing contained herein shall be deemed to entitle FSA to any City or County permit or other City or County approval necessary for the development of the Property, or waive any applicable City or County requirements relating thereto. This DDA does not (a) grant any land use Entitlement to FSA, (b) supersede, nullify or amend any condition which may be imposed by the City or the County in connection with approval of the development described herein, (c) guarantee to FSA or any other party any profits from the development of the Property, or (d) amend any City or County laws, codes or rules. This is not a Development Agreement as provided in Government Code Section 65864.

Section 3.1.1 Compliance with CEQA and Other Laws as Condition Precedent to Development

FSA shall have performed all necessary final actions and obtained the final approvals for the development and construction of the Project within the time frames set forth herein. Such final actions and approvals may include, but are not limited to the following: (i) completing requisite activities to comply with California Environmental Quality Act (“CEQA”), (ii) all final action and approvals for environmental and land use permits by Governmental Authorities having jurisdiction over the Property, and (iii) resolution or final adjudication of any legal challenges, including such challenges based on CEQA.

FSA represents and warrants that the Property and Improvements located thereon, including any portion thereof, shall comply with all applicable State and Federal laws, covenants or restrictions of record, building codes, regulations and ordinances (“Applicable Requirements”). If the Property does not comply with said Applicable Requirements, FSA shall promptly rectify the same at FSA’s expense.

FSA represents and warrants that the Property will be developed in full compliance with all applicable CEQA requirements for new construction in the jurisdiction. The commencement of any development and construction identified herein is contingent upon FSA obtaining all required environmental and land use permits, including CEQA compliance with any applicable public agencies. In the event any action is brought challenging the legality of compliance with CEQA, including any actions related to any of the proposed uses of the property or the DDA, FSA shall indemnify, defend, and hold harmless the County, its divisions, and departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents, and representatives at its sole cost and expense (including but not limited to, reasonable attorney fees, cost of investigation, defense and settlements or awards), for, from and against any and all claims, actions, proceedings, demands, liabilities, costs, expenses, including reasonable attorney’s fees and costs, damages and losses, cause or causes or action and suit or suits (“Claims”) arising from or to attack, set aside, void, or annul any approvals of the County, its advisory agencies, or legislative body concerning this DDA, including CEQA compliance.

Section 3.1.2 Preliminary Endangerment Assessment

Prior to approval of final design, FSA shall retain a registered environmental assessor to prepare a preliminary endangerment assessment to determine the existence of any release of a Hazardous Substance on the Property and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity. A copy of the preliminary endangerment assessment shall be provided to the County and the City of Jurupa Valley. If the preliminary endangerment assessment determines a risk from a release of a hazardous substance is found to exist on the site, FSA shall be required to remove the Hazardous Substance or if the Hazardous Substance is necessary in the function of the Property, to mitigate the significant effects of exposure to a level of insignificance in compliance with state and federal requirements. If the preliminary endangerment assessment determines a potential for exposure to significant hazards from surrounding properties or activities, the effects of potential exposure to future occupants shall be mitigated to a level of insignificance in compliance with state and federal regulations. If mitigation is required, compliance with this requirement will not be satisfied until the City of Jurupa Valley, acting as lead agency for the project development, determines that the proposed mitigation

is acceptable.

Section 3.2 Scope of Development

The Property shall be developed in accordance with and within the limitations established in the Scope of Development attached hereto as Attachment No. 6 and incorporated herein by reference, and any and all permits issued by the City of Jurupa Valley and other Governmental Authorities. FSA shall be solely responsible, without any financial assistance from County, to pay all costs to develop and construct the Project on the Property pursuant to this DDA, any Entitlements, and any requirements of a Governmental Authority.

No less than eighty (80) percent of the area of the Property shall be used for the development of housing.

Section 3.3 Basic Concept, Schematic Drawings and Related Documents

(a) FSA shall prepare and submit to the County and City for approval and review (including, but not limited to, architectural review) the following documents within the time frame set forth in the Schedule of Performance: (i) schematic drawings and related documents for the development of the Property, and (ii) construction plans for the development of the Property, (collectively called "Plans"). Final drawings, plans, and specifications are hereby defined as those in sufficient detail to obtain a building permit.

(b) The Property shall be developed as established in the basic concept and schematic drawings and related documents.

Section 3.4 Landscaping and Grading Plans

The landscaping plans shall be prepared by a professional landscape architect and the grading plans shall be prepared by a licensed civil engineer. Such landscape architect and/or civil engineer may be the same firm as FSA's architect.

Section 3.5 Reserved.

Section 3.6 Cost of Construction

The cost of developing and constructing the Improvements on the Property, including any offsite or onsite improvements required by any Governmental County in connection therewith, shall be the responsibility of FSA, without any cost to County. FSA shall be responsible for paying all Development Costs, as provided in the Method of Financing. The Development Costs are set forth in the Project Budget (Attachment No. 7), which shall be subject to change from time-to-time as provided in the Method of Financing. The Parties anticipate that no payment or performance bonds will be required by the Construction Lender. However, if Construction Lender does in fact require such bonds, FSA shall take commercially reasonable steps to cause the County to be named as an additional obligee on any such bonds.

Section 3.7 Schedule of Performance

(a) FSA and County shall perform all acts respectively required of such party in this DDA within the times provided in the Schedule of Performance.

(b) FSA shall begin and complete and/or cause Completion of all construction and development within the times specified in the Schedule of Performance (Attachment No. 4), with such reasonable extensions of said times as may be granted by the County as provided herein.

(c) Each party to this DDA shall perform the obligations to be performed by such party pursuant to this DDA within the respective times provided in the Schedule of Performance (Attachment No. 4), and if no such time is provided, within a reasonable time. The Schedule of Performance shall be subject to amendment from time to time upon the mutual agreement of the County and FSA. The Assistant CEO or designee, on behalf of County, and without referring such matter to the County's Board of Supervisors may extend all pending deadlines in the Schedule of Performance up to four (4) occasions, and any additional extensions shall be subject to review and approval by the County's Board of Supervisors.

(d) After the Closing, FSA shall promptly begin and thereafter diligently prosecute to Completion or cause diligent Completion of the construction of the Improvements as provided herein and in the Scope of Development.

(e) During periods of construction, FSA shall submit to the County a written report of the progress of construction when and as requested by the County. The report shall be in such form and detail as may be reasonably required by the County and shall include a reasonable number of construction photographs (if requested) taken since the last report by FSA.

Section 3.8 Local, State, and Federal Laws

(a) The FSA shall carry out development and construction (as defined by applicable law) or cause the development and construction (as defined by applicable law) of the Improvements on the Property, including, without limitation, any and all public works, (as defined by applicable law), if any, in conformity with all applicable local, state and federal laws, including, without limitation, all applicable federal and state labor laws (including, without limitation, any applicable requirement to pay state prevailing wages).

(b) Prevailing wages are required for work done that falls within the definition of "public works" under California Labor Code §1720. "Public works" are defined as "construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds..." For those projects which are "public works" pursuant to Labor Code § 1720.2, the following applies:

FSA shall require that any contractor performing work on the Improvements including FSA, (Contractor) shall comply with prevailing wage requirements and be subject to restrictions and penalties in accordance with §1770 et seq. of the Labor Code, as may be amended from time to time, which requires prevailing wages be paid to appropriate work classifications in all bid specifications and subcontracts. FSA shall require that Contractor shall furnish all subcontractors/employees a copy of the Department of Industrial Relations prevailing wage rates

at which FSA will post at the job site. All prevailing wages shall be obtained by the FSA/Contractor from:

Department of Industrial Relations, Divisions of Labor Statistics and Research
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102

FSA shall require that Contractor shall comply with the payroll record keeping and availability requirement of §1776 of the Labor Code. FSA shall require that Contractor shall make travel and subsistence payments to workers needed for performance of work in accordance with §1773.8 of the Labor Code. Prior to commencement of work, FSA shall require that Contractor shall contact the Division of Apprenticeship Standards and comply with §1777.5, §1777.6 and §1777.7 of the Labor Code and applicable regulations. FSA shall indemnify, hold harmless, and defend County and shall be responsible for any fine, penalty or fee levied against the Property arising out of any violations by FSA of this Section. FSA shall comply and stay current with all applicable local, state and federal building codes and laws as from time to time amended, including, but not limited to, the Americans with Disabilities Act requirements. FSA shall cause all improvements to be completed at FSA's cost in a workmanlike manner and in compliance with all applicable law.

(c) FSA shall be responsible for obtaining all Permits and land use approvals required by the City for the construction of the Improvements, ensuring that the use of the Property for the purposes described in this DDA complies with the zoning and other City land use regulations (including any applicable exemptions and/or exceptions) applicable to the Property at the time of Closing.

(d) Before commencement of demolition, construction or development of any buildings, structures or other work of improvement upon any portion of the Property, FSA shall, at its own expense, secure or cause to be secured, any and all permits which may be required by the City or any other Governmental Authority affected by such construction, development or work.

Section 3.9 Notice of Non-Responsibility

County shall, at any and all times during the term of this DDA, have the right to post and maintain on the Property, and record against the Property, as required by law, any notice or notices of non-responsibility provided for by the mechanics' lien laws of the State of California; provided, however, that FSA shall, on behalf of the County, post and maintain on the Property, and record against the Property, all notices of non-responsibility provided for by the mechanics' lien laws of the State of California.

Section 3.10 Nondiscrimination During Construction

FSA, for itself and its successors and assigns, agrees that during the construction of the Improvements provided for in the DDA, FSA will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

Section 3.11 Indemnification and Insurance

FSA shall indemnify and hold harmless the County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of FSA, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this DDA, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of FSA, its officers, employees, subcontractors, agents or representatives Indemnitors from this DDA. FSA shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by FSA, FSA shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes FSA's indemnification to Indemnitees as set forth herein.

FSA's obligation hereunder shall be satisfied when FSA has provided to County the appropriate form of dismissal relieving County and the other Indemnitees from any liability for the action or claim involved.

The specified insurance limits required in this DDA shall in no way limit or circumscribe FSA's obligations to indemnify and hold harmless Indemnitees herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve FSA from indemnifying County to the fullest extent allowed by law.

The foregoing indemnity shall continue to remain in effect in the event this DDA is terminated and after the Completion.

Without limiting or diminishing FSA's obligation to indemnify or hold County and the Indemnitees harmless, FSA shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this DDA.

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

b) **Commercial General Liability Insurance.** Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage,

covering claims which may arise from or out of FSA's performance of its obligations hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

c) **Vehicle Liability Insurance.** If vehicles or mobile equipment are used in the performance of the obligations under this DDA, then FSA shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insured or provide similar evidence of coverage approved by County's Risk Manager ("Risk Manager").

d) **Property (Physical Damage).** FSA shall provide a policy of all-risk property insurance coverage for the full replacement value of all FSA's equipment, improvements/alterations, temporary structures, and systems, including without limitation, items owned by others in the FSA's care, custody or control, used on the Property or other County-owned property, or used in any way connected with the performance of the work required pursuant to this DDA.

e) **Builder's All Risk (Course of Construction) Insurance.** FSA shall provide a policy of Builder's All Risk (Course of Construction) insurance coverage including (if the work is located in an earthquake or flood zone or if required on financed or bond financing arrangements) coverage for earthquake and flood, covering the County, FSA and every subcontractor, of every tier, for the entire Project, including property to be used in the construction of the work while such property is at off-site storage locations or while in transit or temporary off-site storage. Such policy shall include, but not be limited to, coverage for fire, collapse, faulty workmanship, debris removal, expediting expense, fire department service charges, valuable papers and records, trees, grass, shrubbery and plants. If scaffolding, false work and temporary buildings are insured separately by the FSA or others, evidence of such separate coverage shall be provided to County prior to the start of the work. Such policy shall be written on a completed value form. Such policy shall also provide coverage for temporary structures (on-site offices, etc.), fixtures, machinery and equipment being installed as part of the work. FSA shall be responsible for any and all deductibles under such policy. Upon request by County, FSA shall declare all terms, conditions, coverages and limits of such policy. If the County so provides, in its sole discretion, the All Risk (Course of Construction) insurance for the Project, then FSA shall assume the cost of any and all applicable policy deductibles (currently, \$50,000 per occurrence) and shall insure its own machinery, equipment, tools, etc. from any loss of any nature whatsoever.

f) **General Insurance Provisions – All Lines.**

1. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such

requirements are waived, in writing, by Risk Manager. If Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2. FSA's insurance carrier(s) must declare its insurance self-insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such retentions shall have the prior written consent of Risk Manager. Upon notification of self-insured retention unacceptable to County, and at the election of Risk Manager, FSA's carriers shall either: (a) reduce or eliminate such self-insured retention, or (b) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3. FSA shall cause FSA's insurance carrier(s) to furnish the County with copies of the Certificate(s) of Insurance and Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by Risk Manager, provide copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. FSA shall not continue operations until County has been furnished Certificate(s) of Insurance and copies of endorsements and if requested, copies of policies of insurance including all endorsements and any and all other attachments as required herein. An individual authorized by the insurance carrier to do so, on its behalf, shall sign the original endorsements for each policy and the Certificate of Insurance.

4. It is understood and agreed to by the parties hereto that FSA's insurance shall be construed as primary insurance, and County's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5. If, during the term of this DDA or any extension thereof, there is a material change in the scope of services or there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.), then County reserves the right to adjust the types of insurance required under this DDA and the monetary limits of liability for the insurance coverage's currently required herein, if, in Risk Manager's reasonable judgment, the amount or type of insurance carried by FSA has become inadequate.

6. FSA shall pass down the insurance obligations contained herein to all tiers of subcontractors.

7. FSA agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of the DDA.

Section 3.12 Disclaimer of Responsibility by the County

The County neither undertakes nor assumes nor will have any responsibility or duty to FSA or to any third party to review, inspect, supervise, pass judgment upon or inform FSA or any third party of any matter in connection with the development or construction of the Improvements, whether regarding the quality, adequacy or suitability of the plans, any labor, service, equipment or material furnished to the Property, any person furnishing the same, or otherwise. FSA and all third parties shall rely upon its or their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to FSA or to any third party by the County in connection with such matter is for the public purpose of redeveloping the Property, and

neither FSA (except for the purposes set forth in this DDA) nor any third party is entitled to rely thereon. The County shall not be responsible for any of the work of construction, improvement or development of the Property.

Section 3.13 Rights of Access

Commencing upon the Closing, representatives of the County shall have the reasonable right of access to the Property, upon 24 hours' written notice to FSA (except in the case of an emergency, in which case County shall provide such notice as may be practical under the circumstances), without charges or fees, at normal construction hours during the period of construction for the purposes of this DDA, including, but not limited to, the inspection of the work being performed in constructing the Improvements. Such representatives of the County shall be those who are so identified in writing by the Assistant CEO.

Section 3.14 Taxes, Assessments, Encumbrances and Liens

Commencing upon the Closing, FSA shall pay when due all real estate taxes and assessments assessed and levied on or against the Property or any portion thereof. FSA shall not place, or allow to be placed, against the Property or any portion thereof, any loan, trust deed, encumbrance or lien not authorized by this DDA. FSA shall remove, or shall have removed, any levy or attachment made on the Property (or any portion thereof), or shall assure the satisfaction thereof within a reasonable time but in any event prior to a sale thereunder. Nothing herein contained shall be deemed to prohibit FSA from contesting the validity or amount of any tax, assessment, encumbrance or lien, or to limit the remedies available to FSA in respect thereto. The covenants of FSA set forth in this Section 3.14 relating to the placement of any unauthorized loan, trust deed, encumbrance or lien, shall remain in effect for the term of this DDA.

Section 3.15 Prohibition Against Transfer

The qualifications and identity of FSA are of particular concern to the County. It is because of those qualifications and identity that the County has entered into this DDA with FSA. Until the Completion of the Project, no voluntary or involuntary successor in interest of FSA shall acquire any rights or powers under this DDA, nor shall FSA make any total or partial sale, transfer, conveyance, assignment, subdivision, refinancing or lease of the whole or any part of the Property or the Project thereon (excepting the rental of Units in conformity with this DDA) without prior written approval of the County, except as otherwise allowed under this DDA.

Section 3.16 No Encumbrances Except Senior Loans

(a) Notwithstanding Section 3.15 (Prohibition Against Transfer), upon and after the Closing, FSA shall have the right to encumber the Property with one or more Senior Loan deeds of trust, but only for the purpose of securing loans of funds to be used for financing the Development Costs and other expenditures necessary and appropriate to develop the Property under this DDA, consistent with the amounts to be financed by FSA per the Method of Financing ("Permitted Financing Purposes"). Prior to Completion: (1) FSA shall not have any authority to encumber the Property for any purpose other than Permitted Financing Purposes; (2) FSA shall notify the County, in writing, in advance of any proposed financing other than Permitted Financing; and (3) FSA shall not enter into any agreements for non-Permitted Financing Purposes requiring a conveyance of

security interests in the Property without the prior written approval of the County. The maker of any loan approved by the County pursuant to this Section 3.16 shall not be bound by any amendment, implementation agreement or modification to this DDA subsequent to its approval without such lender giving its prior written consent.

(b) In any event, FSA shall promptly notify the County of any security interest created or attached to the Property whether by voluntary act of FSA or otherwise.

(c) The words "security interest" and "deed of trust" as used herein include all other appropriate modes of financing real estate acquisition, construction and land development.

(d) The Assistant CEO or designee shall have the authority to make reasonable modifications to Sections 3.16 through 3.19 that may be requested by a Senior Lender, provided such modification does not adversely affect the receipt of any material benefit by County hereunder, including without limitation subordination of the affordability covenants in the Agreement Containing Covenants (Attachment No. 11). Upon the reasonable request of a Senior Lender, the Assistant CEO or designee shall execute from time-to-time such reasonable estoppel certificates to the extent they are consistent with the terms of this DDA.

(e) The requirements of this Section 3.16 shall not apply following Completion.

Section 3.17 Lender Not Obligated to Construct Improvements

No lender shall be obligated by the provisions of this DDA to construct or complete the Improvements or to guarantee such construction or completion. Nothing in this DDA shall be deemed or construed to permit, or authorize any such lender to devote the Property to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this DDA.

Section 3.18 Notice of Default to lenders; Right of lender to Cure Defaults

Whenever the County shall deliver any notice or demand to FSA with respect to any breach or default by FSA in completion of construction of the Improvements, the County shall at the same time deliver to each Senior Lender of record a copy of such notice or demand. Each such Senior Lender shall (insofar as the rights of the County are concerned) have the right at its option within ninety (90) days after the receipt of the notice, to cure or remedy, or commence to cure or remedy, any such default and to add the cost thereof to the security interest debt and the lien of its security interest. If such default shall be a default which can only be remedied or cured by such Senior Lender upon obtaining possession of the Property, such Senior Lender shall seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall remedy or cure such default within ninety (90) days after obtaining possession; provided that in the case of a default which cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced within such ninety- (90) day period, such Senior Lender shall have such additional time as reasonably necessary to remedy or cure such default with diligence and continuity not to exceed one hundred and twenty (120) days. Any Senior Lender who forecloses on its Senior Loan, or is assigned or otherwise succeeds to FSA's rights under this DDA, shall have the right to undertake or continue the construction or Completion of the Improvements upon execution of a written agreement with the County by which such Senior Lender expressly assumes FSA's rights

and obligations under this DDA, approval of which agreement shall not be unreasonably withheld by County.

Section 3.19 Failure of Lender to Complete Improvements

In any case where, one hundred and twenty (120) days after default by FSA, if the Senior Lender has elected not to complete construction of the Improvements of the Project, the County has the right, but not the obligation, to purchase the deed of trust or other security interest by payment to the holder of the full amount of the unpaid principal debt, plus any accrued and unpaid interest and other charges secured by the loan instrument approved in writing by the County.

Section 3.20 Right of County to Cure Defaults

In the event of a default or breach by FSA of a Senior Loan encumbering the Property, the County may cure the default at any time prior to Completion by a Senior Lender of any foreclosure under its senior deed of trust. In such event, the County shall be entitled to reimbursement from FSA of all costs and expenses incurred by the County in curing the default. The County shall also be entitled to a lien upon the Property to the extent of such costs and disbursements. Any such lien shall be subordinate and subject to the Senior Loans.

Section 3.21 Right of County to Satisfy Other Liens on the Property

Prior to Completion and after FSA has had a reasonable time to challenge, cure or satisfy any liens or encumbrances on its interest in the Property, the County shall have the right, but not the obligation, to satisfy any such liens or encumbrances; provided, however, that nothing in this DDA shall require FSA to pay or make provisions for the payment of any tax, assessment, lien or charge so long as FSA in good faith shall contest the validity or amount thereof, and so long as such delay in payment shall not subject the Property to forfeiture or sale. In such event, the County shall be entitled to reimbursement from FSA of all costs and expenses incurred by the County in satisfying any such liens or encumbrances. Any such lien shall be subordinate and subject to any Senior Loan.

ARTICLE 4 USE OF THE PROPERTY

Section 4.1 Uses

(a) FSA covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, for the duration of the Affordability Period that FSA, such successors and such assignees shall use the Property only for the uses specified in any development agreements entered into between the City and FSA, this DDA (including without limitation the Scope of Development (Attachment No. 6), the Agreement Containing Covenants (Attachment No. 11) and Governmental Approvals. No change in the use of the Property shall be permitted without the prior written approval of County. In addition, FSA covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, for a period of ten (10) years after the Effective Date of this DDA (“Senior Center Operating Period”), FSA shall continue to operate the Senior Center at its existing location, with the same or greater level of services, at FSA’s sole cost, except for the financial assistance provide to FSA by

County pursuant to the Master License and Operating Agreement which expires by its own terms on June 30, 2020. After the expiration of the Senior Center Operating Period, FSA covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that FSA shall provide senior services at the same or greater level as they existed under the Master License and Operating Agreement at the Eddie Dee Smith Senior Center or any other site operated by FSA within the City of Jurupa Valley.

(b) Notwithstanding the generality of Section 4.1 (a), FSA, its successors and assigns, shall use the Property only for the uses permitted in this DDA, specifically including the following: (i) residential rental uses, with respect to the Restricted Units, (ii) a Senior Center, and (iii) parking and ancillary uses consistent with this DDA.

(c) Notwithstanding anything to the contrary contained herein, no less than eighty (80) percent of the area of the Property shall be used for the development of housing.

(c) The Project shall remain in compliance with all applicable Federal, State and local codes, laws, regulations and ordinances for the duration of this DDA and the Affordability Period.

(d) Residential Uses. For a period consisting of thirty (30) years from the recordation in the Official Records of the Notice of Completion for the last building for which construction is completed for the Project, FSA on behalf of itself and its successors, assigns, and each successor in interest to Borrower's interest in the Property or any part thereof, hereby covenants and agrees as follows:

(1) All of the Restricted Units shall be available to Very Low, Low and Moderate Income households at an Affordable Rent in accordance with the Schedule of Affordable Rents attached to Exhibit "C" of the Agreement Containing Covenants (Attachment No. 11), and the rent limitations set forth in California Health and Safety Code Sections 50053, as may be amended from time to time;

(2) FSA agrees that twenty-two (22) of the Units defined herein as the Restricted Units, shall be rented to and occupied exclusively by very low and low income households. Of the twenty two (22) Restricted Units eleven (11) units shall be rented to and occupied by households whose incomes do not exceed fifty percent (50%) of the median family income for the County of Riverside, adjusted by family size at the time of occupancy. In addition, eleven(11) of the Restricted Units shall be rented to and occupied by households whose incomes do not exceed seventy five percent (75%) of the median family income for the County of Riverside, adjusted by family size at the time of occupancy.

(3) The maximum incomes of all tenants eligible to rent a Restricted Unit shall be determined on the basis of the Area Median Income for County of Riverside.

(4) No officer, employee, agent, official or consultant of FSA may occupy any of the Restricted Units.

(5) the Restricted Units shall restricted by regulatory agreement to remain continually affordable to Very Low and Low Income households for the longest feasible time, but not less than 30 years, pursuant to the Agreement Containing Covenants (Attachment No. 11). The Agreement Containing Covenants shall contain a provision making the covenants and conditions of the agreement binding upon successors in interest

of the housing sponsor. The Agreement Containing Covenants shall be recorded in the office of the county recorder of the county in which the housing development is located. The Agreement Containing Covenants shall be recorded in the grantor-grantee index to the name of the property owner as grantor and to the name of the county as grantee.

(e) **Parking.** During the Affordability Period, FSA on behalf of itself and its successors, assigns, and each successor in interest to FSA's interest in the Property or any part thereof, hereby covenants and agrees that the Affordable Rent for each of the Restricted Units shall include one (1) non-tandem parking space located on the Property in close proximity to the Restricted Units at no extra charge to the occupants or tenants.

Section 4.2 Maintenance of the Property

In addition to the property maintenance requirements set forth in the Agreement Containing Covenants, FSA covenants and agrees that prior to the construction of the Improvements, FSA shall maintain and secure the Property in accordance with reasonable vacant property management practices, and upon and after construction, FSA, its successors and assigns, shall maintain the Property and any improvements thereon and the landscaping on the Property in a manner consistent with community standards which will uphold the value of the Property, in accordance with this DDA, and applicable provisions of the City of Jurupa Valley Municipal Code and the County of Riverside Municipal Code (the "Codes"), as follows:

(a) **Exterior Maintenance.** All exterior, painted surfaces of any structures located on the Property shall be maintained at all times in a clean and presentable manner. Any defacing marks shall be cleaned or removed within a reasonable time.

(b) **Front and Side Exteriors.** FSA shall, at all times, maintain the front exterior and any visible side exteriors and yards, if any, in a clean, safe and presentable manner.

(c) **Graffiti Removal.** All graffiti, and defacement of any type, including marks, words and pictures, must be removed from the Property and any necessary painting or repair completed within a reasonable time, but in no event more than one (1) week after notice to a Purchaser from County.

(d) **Landscaping.** All landscaping surrounding the Property shall be maintained in a manner consistent with the Codes and any rules, regulations and standards adopted pursuant to the Code.

(e) **Maintenance by FSA.** FSA shall, at his, her or their sole cost and expense, maintain and repair the Property and the improvements thereon, keeping the same in good condition and making all repairs as may be required by this DDA and the Code.

(f) **Damage and Destruction Affecting Property -- Duty to Rebuild.** If all or any portion of the Property and the improvements thereon is damaged or destroyed by fire or other casualty, it shall be the duty of FSA to rebuild, repair or reconstruct the Property in a timely manner to restore it to Code compliance condition or the condition required by the City.

(g) **Variance in Exterior Appearance and Design.** If the Property is damaged or destroyed by casualty, FSA may not, without the prior written consent of the County, reconstruct,

rebuild or repair the Property in a manner which will provide substantially different exterior appearance design from that which existed prior to the date of the casualty.

(h) Time Limitation. In the event of damage or destruction due to casualty, FSA shall be obligated to proceed with all due diligence to commence reconstruction within two (2) months after the damage occurs and to complete reconstruction within a reasonable time after damage occurs, unless prevented by causes beyond the reasonable control of FSA as reasonably determined by County.

(i) Inspection. In the event the County, in the sole discretion of the County Assistant County Executive Director, determines that the FSA has failed to maintain the Property, the County, or its designee, on two (2) weeks' prior written notice of any noted code violations and maintenance deficiencies (collectively, the "Deficiencies"), shall have the right, but not the obligation, to enter the Property, correct any Deficiency, and hold the FSA responsible for the cost thereof. Any cost incurred by the FSA to cure any such Deficiency, until paid, shall constitute a lien on the Property pursuant to Civil Code Section 2881.

Section 4.3 Obligation to Refrain from Discrimination

FSA covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof or interest therein, there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, sexual orientation, marital status, race, color, creed, religion, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property nor shall FSA, itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property. All deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

b. In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of

subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

c. In contracts: “There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the land.”

In addition to the obligations and duties of FSA set forth herein, FSA shall, upon notice from County, promptly pay to County all fees and costs, including administrative and attorneys’ fees, incurred by County in connection with responding to or defending any discrimination claim brought by any third party and/or local, state or federal government entity, arising out of or in connection with this DDA, the Agreement Containing Covenants, and the Grant Deed (each attached hereto).

Section 4.4 Effect and Duration of Covenants

The covenants established in this DDA shall, without regard to technical classification and designation, be binding on FSA and any successor in interest to the Property for the benefit and in favor of the County, its successors and assigns. The covenants shall remain in effect for the period of thirty (30) years from the recordation of the Notice of Completion in the Official Records for the last building constructed as part of the Project.

Section 4.5 Effect of Violation of the Terms and Provisions of this Agreement

The County is deemed beneficiary of the terms and provisions of this DDA and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this DDA and the covenants running with the land have been provided. The County shall have the right if the covenants contained in this DDA are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this DDA and covenants are entitled.

Section 4.6 Hazardous Substances

At the Closing, FSA shall execute and deliver to the County an Environmental Indemnity substantially conforming in form and substance to the Environmental Indemnity attached hereto as Attachment No. 9.

ARTICLE 5 DEFAULTS, REMEDIES AND TERMINATION

Section 5.1 Defaults - General

(a) Subject to the Force Majeure Delay, as provided in Section 6.4, failure or delay by either party to perform any term or provision of this DDA constitutes a default under this DDA. The party who fails or delays must immediately commence to cure, correct or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence.

(b) The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. Except as otherwise expressly provided in this DDA, any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by either party in asserting any of its rights and remedies shall not deprive either party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

(c) If a monetary event of default occurs, prior to exercising any remedies hereunder, the injured party shall give the party in default written notice of such default. The party in default shall have a period of seven (7) days after such notice is given within which to cure the default prior to exercise of remedies by the injured party.

(d) If a non-monetary event of default occurs, prior to exercising any remedies hereunder, the injured party shall give the party in default written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, the party in default shall have such period to effect a cure prior to exercise of remedies by the injured party. If the default is such that it is not reasonably capable of being cured within thirty (30) days, and the party in default (i) initiates corrective action within said period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then the party in default shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by the injured party, but in no event no more than ninety (90) days from the date of the notice of default. In no event shall the injured party be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within ninety (90) days after the first notice of default is given.

Section 5.2 Institution of Legal Actions

Subject to the notice and cure provisions of Section 5.1, in addition to any other rights or remedies (and except as otherwise provided in this DDA), either party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this DDA. Such legal actions must be instituted in the Superior Court of the County of Riverside, State of California.

Section 5.3 Applicable Law

The laws of the State of California shall govern the interpretation and enforcement of this DDA.

Section 5.4 Acceptance of Service of Process

(a) In the event that any legal action is commenced by FSA against the County, service of process on the County shall be made by personal service upon the County of Riverside Clerk of the Board.

(b) In the event that any legal action is commenced by the County against FSA, service of process on FSA shall be made by personal service upon FSA (or upon an officer of FSA) and shall be valid whether made within or outside the State of California, or in such manner as may be provided by law.

Section 5.5 Rights and Remedies Are Cumulative

Except with respect to rights and remedies expressly declared to be exclusive in this DDA, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

Section 5.6 Damages

If either party defaults with regard to any of the provisions of this DDA, subject to the notice and cure provisions of Section 5.1, the defaulting party shall be liable to the non-defaulting party for any damages caused by such default, and the non-defaulting party may, after such notice and opportunity to cure (but not before) commence an action for damages against the defaulting party with respect to such default.

Section 5.7 Specific Performance

If either party defaults with regard to any of the provisions of this DDA, subject to the notice and cure provisions of Section 5.1, the non-defaulting party, at its option, may, after such notice and opportunity to cure (but not before) commence an action for specific performance of the terms of this DDA pertaining to such default.

Section 5.8 Termination

Prior to the Close of Escrow, either party shall have the right to terminate this DDA in the event the other party is in default of any material term or provision of this DDA, and, following notice, fails to cure such default within the time provided in Section 5.1.

Section 5.9 Termination By County After Closing

(a) In addition to other remedies available to the County hereunder, after notice and opportunity to cure, County shall have the right to terminate this DDA in the event FSA fails to complete the development and construction of the Project within the time frames set forth in the Schedule of Performance, or any extension of such time which is permitted under this DDA.

(b) In addition to the County's termination rights set forth in paragraph (a) of this Section 5.9, before Completion of the project in accordance with this DDA, the County shall have the additional right to terminate this DDA in the event any of the following defaults shall occur:

- (1) FSA fails to cause the maintenance of the Property, or fails to cause the commencement of construction of the Improvements as required by this DDA, for a period of sixty (60) days after written notice from the County, provided that FSA shall not have obtained an extension or postponement to which FSA may be entitled pursuant to Section 6.4 hereof; or
- (2) Subject to Force Majeure, FSA abandons the Property or, substantially suspends construction of the improvements for a period of thirty (30) days after written notice has been given by the County to FSA, provided FSA has not obtained an extension or postponement to which FSA may be entitled to pursuant to Section 6.4 hereof; or
- (3) FSA assigns or attempts to assign this DDA, or any rights herein, or, transfer, or suffer any involuntary transfer of the Property, or any part thereof, in violation of this DDA, and such breach is not cured within thirty (30) days after the date of written notice thereof; or
- (4) FSA otherwise materially breaches this DDA, and such breach is not cured within the respective times provided in Section 5.1 of this DDA.

(c) The cure periods established in paragraphs a. and b. shall run concurrently with one another and with any other rights to cure set forth in this DDA or any other instrument.

(d) In the event the County terminates this DDA pursuant to this Section 5.9, the County shall have the right to exercise all remedies available to the County under law, and shall retain its rights under Section 5.10, notwithstanding the termination of this DDA.

Section 5.10 Right of Reverter

Pursuant to Section 2.16 of this DDA, in the event FSA fails to satisfy all obligations set forth herein related to development and construction of the Project, after notice and opportunity to cure, the Property, including, but not limited to all improvements located thereon, shall immediately revert to the County, in its as-is condition, and FSA shall forfeit its title thereto and immediately surrender possession of the Property. Furthermore, subject to the notice and cure provisions of Section 5.1, in the event of an uncured default described in Section 5.9, the County shall have the additional right, at its option, to reenter and take possession of the Property, and FSA shall thereupon forfeit its title to the Property and any improvements thereon.

(a) The Grant Deed shall contain appropriate reference and provision to give effect to the County's right, as set forth in Section 2.16 and this Section 5.10 under specified circumstances, to reenter and take possession of the Property, with all improvements thereon, and to terminate the DDA.

(b) Upon the revesting in the County of title to the Property, as provided in this Section 5.10 and Section 2.16, the County shall use its diligent and good faith efforts to resell the Property as soon and in such manner as the County shall find feasible in its sole discretion, to a qualified and responsible party or parties (as determined by the County in its sole discretion), who will assume the obligation of making or completing the Improvements, or such other improvements in their stead as shall be satisfactory to the County in its sole discretion and consistent with the provisions of Title 3, Division 2, Part 2, Chapter 5, Article 8 of the California Government Code. Upon such resale of the Property or portion thereof, the proceeds thereof shall be applied to:

- (1) Reimburse the County on its own behalf of all costs and expenses incurred by the County, including salaries of personnel engaged in such action, in connection with the recapture, management and resale of the Property, or any part thereof (but less any income derived by the County from the sale of the Property, or any part thereof, or from the management of such Property); all taxes, assessments and water and sewer charges with respect to the Property or any part thereof (or, in the event the Property, or any part thereof, is exempt from taxation or assessment or such charges during the period of FSA's ownership, then such taxes, assessments or charges as would have been payable if the Property, or part thereof, were not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of FSA, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the agreed improvements or any part thereof on the Property, or any part thereof; and any amounts otherwise owing to the County by FSA and its successor or transferee; and
- (2) Reimburse FSA, its successor or transferee, for FSA equity up to the amount equal to: (i) the costs incurred for the development of the Property, or any part thereof, or for the construction of the agreed improvements thereon, less (ii) the sum of gains or income withdrawn or realized by FSA, its successors or assigns from the Property or from the improvements on the Property; and any balance remaining after such reimbursements shall be retained by the County as its property.

To the extent that the right established in this Section 5.10 involves a forfeiture, it must be strictly interpreted against the County, the party for whose benefit it is created.

ARTICLE 6 GENERAL PROVISIONS

Section 6.1 Notices, Demands and Communications between the Parties

Formal notices, demands and communications between the County and FSA shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the County and FSA, as designated in Sections 1.4 and 1.5 hereof. Such written notices, demands and communications may be sent in the same manner to

such other addresses as either party may from time to time designate by mail as provided in this Section 6.1. Any notice that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice that is personally delivered (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), shall be deemed received on the documented date of receipt by the recipient; and any notice that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the date of receipt thereof.

Section 6.2 Conflicts of Interest

(a) No member, official or employee of the County shall have any personal interest, direct or indirect, in this DDA nor shall any such member, official or employee participate in any decision relating to the DDA which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested.

(b) FSA warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this DDA.

Section 6.3 Nonliability of County Officials and Employees

No member, official, employee or consultant of the County shall be personally liable to FSA, or any successor in interest, in the event of any default or breach by the County or for any amount which may become due to FSA or to its successor, or on any obligations under the terms of this DDA.

Section 6.4 Force Majeure

In addition to specific provisions of this DDA, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to Force Majeure Events.

Section 6.5 Inspection of Books and Records

FSA shall maintain complete, accurate, and current records, accounts, documentation and other material pertaining to the Property and the Project and its financing for a period of five (5) years after the Affordability Period of this DDA, and shall permit any duly authorized representative, designee or invitee of the County, upon reasonable advance notice, to inspect and copy records, including records pertaining to income and household size of tenants, during regular business hours. Records must be kept accurate and current.

Section 6.6 Approvals; Non-Substantive Amendments

(a) Except as otherwise expressly provided in this DDA, approvals required of County or FSA in this DDA, including the attachments hereto, shall not be unreasonably withheld or delayed. All approvals shall be in writing. Failure by either party to approve a matter within the time provided for approval of the matter shall not be deemed disapproval, and failure by either party to disapprove a matter within the time provided for approval of the matter shall not be deemed an approval.

(b) Except as otherwise expressly provided in this DDA, approvals required of the County shall be deemed granted by the written approval of the Assistant CEO or designee. Notwithstanding the foregoing, the Assistant CEO may, in his or her sole discretion, refer to the governing body of the County any item requiring County approval; otherwise, "County approval" means and refers to approval by the Assistant CEO or designee.

(c) The Assistant CEO or designee shall have the right to make non-substantive changes to the attachments to this DDA in order to ensure that all such attachments are consistent with the terms and provisions of this DDA.

Section 6.7 Real Estate Commissions

Neither the County nor FSA shall be liable for any real estate commissions, brokerage fees or finder's fees which may arise from the sale of the Property to FSA. The County and FSA each represent to the other that it has employed no broker, agent, or finder in connection with this transaction.

Section 6.8 Further Assurances

FSA shall execute any further documents consistent with the terms of this DDA, including documents in recordable form, as the County may from time to time find necessary or appropriate to effectuate its purposes in entering into this DDA.

Section 6.9 Construction and Interpretation of Agreement

(a) The language in all parts of this DDA shall in all cases be construed simply, as a whole and in accordance with its fair meaning and not strictly for or against any party. The parties hereto acknowledge and agree that this DDA has been prepared jointly by the parties and has been the subject of arm's length and careful negotiation over a considerable period of time, that each party has been given the opportunity to independently review this DDA with legal counsel, and that each party has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions hereof. Accordingly, in the event of an ambiguity in or dispute regarding the interpretation of this DDA, this DDA shall not be interpreted or construed against the party preparing it, and instead other rules of interpretation and construction shall be utilized.

(b) If any term or provision of this DDA, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this DDA shall not be affected thereby and each other term and provision of this DDA shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the parties hereto that in lieu of each clause or provision of this DDA that is illegal, invalid, or unenforceable, there be added as a part of this DDA an enforceable clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible.

(c) The captions of the articles, sections, and subsections herein are inserted solely for convenience and under no circumstances are they or any of them to be treated or construed as part of this instrument.

(d) References in this instrument to this “DDA” or this “Agreement” mean, refer to and include this instrument as well as any riders, exhibits, addenda and attachments hereto (which are hereby incorporated herein by this reference) or other documents expressly incorporated by reference in this instrument. Any references to any covenant, condition, obligation, and/or undertaking “herein,” “hereunder,” or “pursuant hereto” (or language of like import) means, refer to, and include the covenants, obligations, and undertakings existing pursuant to this instrument and any riders, exhibits, addenda, and attachments or other documents affixed to or expressly incorporated by reference in this instrument.

(e) As used in this DDA, and as the context may require, the singular includes the plural and vice versa, and the masculine gender includes the feminine and vice versa.

Section 6.10 Time of Essence

Time is of the essence with respect to the performance of each of the covenants and agreements contained in this DDA.

Section 6.11 No Partnership

Nothing contained in this DDA shall be deemed or construed to create a lending partnership, other partnership, joint venture, or any other relationship between the parties hereto other than purchaser and seller and lender and borrower according to the provisions contained herein, or cause County to be responsible in any way for the debts or obligations of FSA, or any other party.

Section 6.12 Compliance with Law

FSA agrees to comply with all the requirements now in force, or which may hereafter be in force, of all municipal, county, state and federal authorities, pertaining to the Property, and the Improvements, as well as operations conducted thereon. The judgment of any court of competent jurisdiction, or the admission of FSA or any lessee, tenant or permittee in any action or proceeding against them, or any of them, whether County be a party thereto or not, that FSA, tenant, lessee or permittee has violated any such ordinance or statute in the use of the premises shall be conclusive of that fact as between County and FSA.

Section 6.13 Binding Effect

This DDA, and the terms, provisions, promises, covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

Section 6.14 No Third Party Beneficiaries

The parties to this DDA acknowledge and agree that the provisions of this DDA are for the sole benefit of County and FSA, and not for the benefit, directly or indirectly, of any other person or entity, except as otherwise expressly provided herein.

Section 6.15 Authority to Sign

FSA hereby represents that the persons executing this DDA on behalf of FSA have full authority to do so and to bind FSA to perform pursuant to the terms and conditions of this DDA.

Section 6.16 Incorporation by Reference

Each of the attachments and exhibits attached hereto is incorporated herein by this reference.

Section 6.17 Counterparts

This DDA and any attachment to be executed by the parties may be executed by each party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

ARTICLE 7 ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

(a) This DDA shall be executed in three duplicate originals each of which is deemed to be an original. This DDA, including all attachments hereto and exhibits appended to such attachments shall constitute the entire understanding and agreement of the parties.

(b) This DDA integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the Property.

(c) All waivers of the provisions of this DDA must be in writing and signed by the appropriate authorities of the County or FSA, and all amendments hereto must be in writing and signed by the appropriate authorities of the County and FSA. This DDA and any provisions hereof may be amended by mutual written agreement by FSA and the County.

ARTICLE 8 EFFECTIVE DATE OF AGREEMENT

This DDA shall be dated for reference purposes as of the date set forth in the introductory paragraph hereof, but shall not be effective until approved by the Board of Supervisors ("Board") and executed by the Assistant County Executive Officer and the Developer.

IN WITNESS WHEREOF, the Parties have executed this DDA as of the dates written below.

COUNTY:

COUNTY OF RIVERSIDE, a political subdivision of the State of California

By: _____
Robert Field,
Assistant County Executive Officer/
Economic and Community Development

Date: _____

FSA:

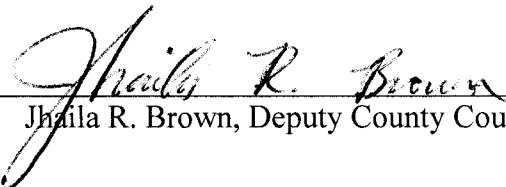
FAMILY SERVICE ASSOCIATION, a California non-profit public benefit corporation

By: _____
Dominic Betro, President/CEO

Date: _____

APPROVED AS TO FORM:

GREGORY P. PRIAMOS
COUNTY COUNSEL

By:  _____
Jhila R. Brown, Deputy County Counsel

(COUNTY and FSA SIGNATURES MUST BE NOTARIZED)

ATTACHMENT NO. 1
LEGAL DESCRIPTION

All that certain real property located in the City of Jurupa Valley, County of Riverside, State of California, described as follows:

PARCEL 1: APN 182-290-025

Parcel B of Notice of Lot Line Adjustment for the Smith Center and adjacent land, recorded July 30, 2001 as Instrument No. 2001-354646 of Official Records of Riverside County, California, and more particularly described as follows:

That portion of Parcel 2 of Parcel Map No. 4932, in the City of Jurupa Valley, County of Riverside, State of California, on file in Book 8 of Parcel Maps, Page 60 thereof, Records of Riverside County, California, described as follows:

BEGINNING at the most easterly corner of said Parcel 2, said corner being a point in the southwesterly line of Mission Boulevard as shown by said Parcel Map No. 4932;

Thence S.29°37'42"W. along the southeasterly line of said Parcel 2, a distance of 150.68 feet;

Thence N.60°22'18"W., a distance of 4.55 feet;

Thence S.29°37'42"W., a distance of 62.94 feet;

Thence N.60°22'18"W., a distance of 15.08 feet;

Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.29°37'42"W., a distance of 2.06 feet;

Thence southerly along a tangent curve concave easterly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.60°22'18"E., a distance of 15.20 feet;

Thence S.29°37'42"W., a distance of 53.97 feet;

Thence N.60°22'18"W., a distance of 17.40 feet;

Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.29°37'42"W., a distance of 14.11 feet;

Thence N.60°23'58"W., a distance of 56.03 feet, to the northwesterly line of said Parcel 2;

Thence N.29°37'42"E. along said northwesterly line, a distance of 292.18 feet, to the most northerly corner of said Parcel 2, said corner being a point in the southwesterly line of said Mission Boulevard.

Thence S.58°39'15"E. along the northeasterly line of said Parcel 2, also being along said southwesterly line of Mission Boulevard, a distance of 79.91 feet, to the Point of Beginning.

PARCEL 2: APN 182-290-023

Parcel C of Notice of Lot Line Adjustment for the Smith Center and adjacent land, recorded July 30, 2001 as Instrument No. 2001-354646 of Official Records of Riverside County, California, and more particularly described as follows:

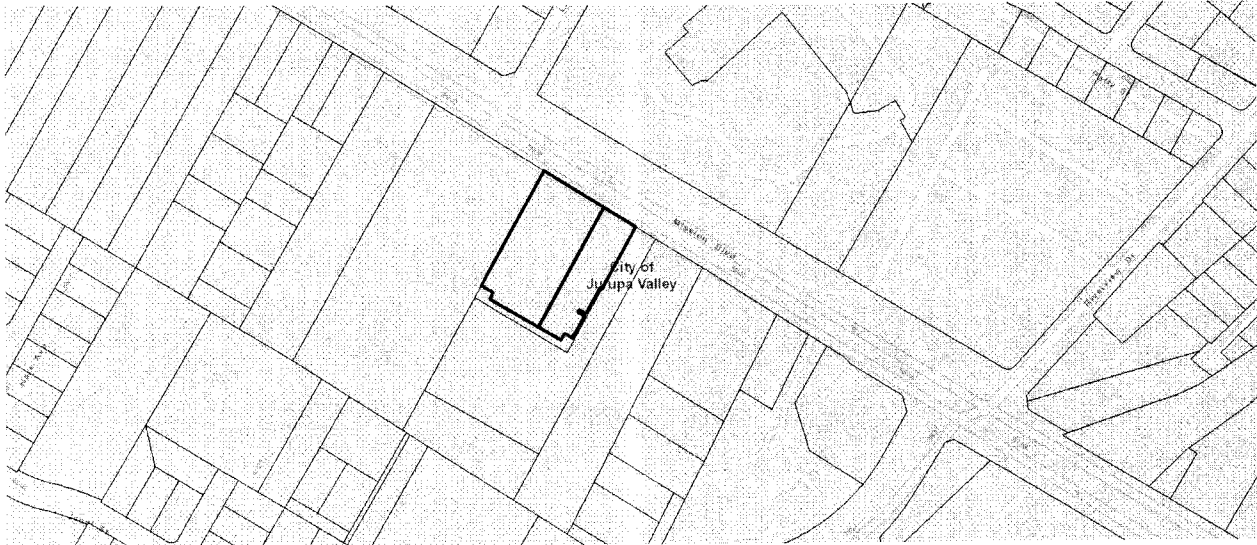
That portion of Parcel 1 of Parcel Map No. 4932, in the City of Jurupa Valley, County of Riverside,

State of California, on file in Book 8 of Parcel Maps, Page 60 thereof, Records of Riverside County, California, described as follows:

COMMENCING at the most easterly corner of said Parcel 2 of said Parcel Map No. 4932, said corner being a point in the southwesterly line of Mission Boulevard as shown by said Parcel Map;
Thence S.29°37'42"W. along the southeasterly line of said Parcel 2, a distance of 150.68 feet;
Thence N.60°22'18"W., a distance of 4.55 feet;
Thence S.29°37'42"W., a distance of 62.94 feet;
Thence N.60°22'18"W., a distance of 15.08 feet;
Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;
Thence S.29°37'42"W., a distance of 2.06 feet;
Thence southerly along a tangent curve concave easterly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;
Thence S.60°22'18"E., a distance of 15.20 feet;
Thence S.29°37'42"W. a distance of 53.97 feet;
Thence N.60°22'18"W., a distance of 17.40 feet;
Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;
Thence S.29°37'42"W., a distance of 14.11 feet;
Thence N.60°23'58"W., a distance of 56.03 feet, to the northwesterly line of said Parcel 2, also being the southeasterly line of said Parcel 1, being the True POINT OF BEGINNING;
Thence continuing N.60°23'58"W., a distance of 118.01 feet;
Thence N.28°37'21"E a distance of 15.63 feet;
Thence northerly along a tangent curve concave westerly, having a radius of 2.00 feet, through an angle of 89°58'20", an arc length of 3.11 feet;
Thence N.60°22'18"W., a distance of 29.05 feet, to the northwesterly line of said Parcel 1;
Thence N.29°37'42"E. along said northwesterly line, a distance of 279.13 feet, to the most northerly corner of said Parcel 1, said corner being a point in the southwesterly line of said Mission Boulevard.
Thence S.58°39'15"E. along the northeasterly line of said Parcel 2, also being along said southwesterly line of Mission Boulevard, a distance of 149.40 feet, to the Point of Beginning.

ATTACHMENT NO. 2
SITE MAP

Property
The Eddie Dee Smith Senior Center
5888 Mission Boulevard, City of Jurupa Valley, CA
Acres: 1.51



CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2018, before me, _____, Notary Public, personally appeared _____, 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

ATTACHMENT NO. 3
METHOD OF FINANCING

ATTACHMENT NO. 3

METHOD OF FINANCING

This is the Method of Financing attached to the Disposition and Development Agreement (“DDA”) between the County of Riverside (“County”) and Family Service Association (“FSA”), pertaining to the conveyance of certain real property located in the City of Jurupa Valley (“Property”) from the County to FSA for the development thereon of an approximately 54 unit multifamily rental housing project, a portion of which shall be rented to and occupied by low and moderate income households pursuant to California Government Code section 25539.4, and a Senior Center, as more particularly described in the DDA (collectively “Project”). Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the DDA.

The development and construction of the Project shall occur as set forth in the DDA. The Project will be financed by a combination of bank financing, grants and contributions (“collectively, “Sources of Financing”). The Sources of Financing shall be used to pay all Development Costs.

1. **Purchase Price.** The Property will be conveyed by the County to the FSA for a purchase price of \$1 subject to the satisfaction of certain conditions precedent set forth in the DDA. The County acquired the Property and developed the Eddie Dee Smith Senior Center on a portion of the Property which currently is being operated by the FSA under the Master License and Operating Agreement dated May 9, 2017.

2. **Total Development Cost.** The parties estimate that the cost of the acquisition, development and construction of the Property by FSA and operation of the Eddie Dee Smith Senior Center (“Development Costs”) will be approximately Nine Million One Hundred Thousand Dollars (\$9,100,000). The foregoing estimate shall be subject to changes to the Project Budget as provided in Section 4, below.

3. **Sources of Financing.** The parties anticipate that the Development Costs shall be financed with a combination of the following sources of financing, as set forth in the following chart and described below. These estimated numbers will be finalized based on actual loan amounts provided to homebuyers:

Source of Funds	Construction	Permanent
FSA CEDA/Bank Loan	6,100,000	6,100,000
Veterans Housing and Homeless Prevention Program Grant or similar grant	1,250,000	1,250,000
FSA Contribution	500,000	500,000
Land	<u>1,250,000</u>	<u>1,250,000</u>
	Total	\$ 9,100,000
	\$9,100,000	

3.1 Construction and Permanent Financing

- a. A construction loan issued by Pacific Premier Bank guaranteed by California Economic Development Authority
- b. Veteran Housing and Homeless Prevention Program Grant or similar housing grant
- c. Funding contribution by FSA
- d. County land contribution to the project.

4. Project Budget

- a. The parties anticipate that all Development Costs shall be as set forth in the Project Budget attached to the DDA as Attachment No. 7 (“Project Budget”) and incorporated herein by this reference.
- b. The Development Costs in the Project Budget shall be subject to change from time-to-time.

5. No Subordination of Affordability Covenants. Notwithstanding anything to the contrary herein or in the DDA, the affordability covenants in the Agreement Containing Covenants (Attachment No. 11 the DDA) shall be senior to all security instruments for all loans secured against the Property.

6. Evidence of Financing and Marketing Plan.

- a. Construction Financing. The sum of the Construction/Permanent Loans shall be sufficient at all times to pay all Development Costs as set forth in the County approved Project Budget. To the extent that the sum of the Construction/Permanent Loans is insufficient to pay all Development Costs, FSA shall submit evidence acceptable to the Assistant County Executive Officer that additional funds will be available as and when required to fully pay for all Development Costs.
- b. Marketing Plan. FSA shall prepare and submit to the County for review a marketing plan containing the overall plan for marketing of the Restricted Units, indicating the start and duration of the marketing period, methods of dissemination of information to the public, selection criteria, etc. The County shall not unreasonably withhold its approval of the Marketing Plan.

ATTACHMENT NO. 4
SCHEDULE OF PERFORMANCE

ATTACHMENT NO. 4

SCHEDULE OF PERFORMANCE

1.	<u>Escrow - Disposition of the Property from County to FSA.</u> FSA and County shall open escrow, FSA shall satisfy all conditions precedent to the Close of Escrow as set forth in Section 2.15 of the DDA, and County shall sell the Property to FSA.	Following County approval and execution of the DDA, On or before July 1, 2018.
2.	<u>Conditions Precedent to the Close of Escrow for the Sale of the Property to FSA.</u> FSA shall satisfy all conditions precedent to the Close of Escrow as set forth in Section 2.15 of the DDA.	On or before August 30, 2018.
3.	<u>Closing Date –conveyance of property by County to FSA</u> provided all conditions precedent in Section 2.15 of DDA remain satisfied	On or before September 15, 2018
	<u>Submission -Preliminary Endangerment Assessment</u> FSA shall retain a registered environmental assessor to prepare a preliminary endangerment assessment pursuant to Section 3.1.2 of the DDA.	Prior to approval of final schematic and construction drawings
4.	<u>Submission – Final Construction Drawings and Related Documents.</u> FSA shall submit complete final schematic and construction drawings, including landscape and grading documents to the County pursuant to Section 3.3 of the DDA.	On or before December 20, 2020
5.	<u>Evidence of Financing-</u> FSA shall submit to the County evidence of financing necessary for the acquisition and development of the Project.	On or before December 20, 2023
6.	<u>Construction Commencement</u> FSA shall commence construction of Project.	On or before December 20, 2023
	<u>Construction Completion</u> FSA shall complete construction of the Improvements on the Property (as shown on the Final Construction Drawings upon which FSA’s building permit is based).	On or before June 2025
7.	<u>Units Offered for Rent.</u> FSA causes the Units to be offered for rent.	Within one hundred (100) days after the earlier of (i) Completion of construction or (ii) the time established for Completion of construction in this Schedule of Performance.

ATTACHMENT NO. 5

GRANT DEED

(behind this page)

OFFICIAL BUSINESS.

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Juan Garcia

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: 182-290-025 AND 182-290-023

OFFICIAL BUSINESS
Document entitled to free
recording per Government
Code Section 27383

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the COUNTY OF RIVERSIDE, a political subdivision of the State of California, herein called "Grantor," hereby grants to Family Service Association, a California nonprofit public benefit corporation, herein called "Grantee," the real property, hereinafter referred to as the "Property," described in the document attached hereto, labeled Exhibit "A" and incorporated herein by this reference.

1. Said Property is conveyed in accordance with and subject to (i) that certain Disposition and Development Agreement ("DDA") entered into by and between Grantor and Grantee, dated as of _____, 2018, which document is a public record on file in the offices of the Clerk of the Board of Supervisors, and is by reference hereto incorporated herein as though fully set forth herein, and (ii) that certain Agreement Containing Covenants entered into by and between Grantor and Grantee, dated on or about the date hereof and recorded concurrently herewith in the Official Records of the Recorder's Office of the County of Riverside ("Official Records"). Any capitalized term not defined herein shall have the meaning ascribed to such term in the DDA.

2. This Grant Deed may be executed in counterparts.

3. Title to the Property is conveyed hereto subject to all recorded liens, encumbrances, covenants, encroachments, assessments, easements, leases and taxes.

4. The Property is conveyed to Grantee at a purchase price ("Purchase Price") determined in accordance with the uses permitted by the DDA. Therefore, Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property that the Grantee, such successors and assigns, shall develop, maintain, and use the Property only as follows:

(a) Develop and construct and/or cause the development and construction on

Attachment No. 5 – Grant Deed

the Property of a fifty four (54) unit multifamily rental housing development a portion of which shall be rented to and occupied by very low, low and moderate income households in accordance with California Government Code Section 25539.4 (c), with infrastructure and related parking in accordance with the DDA, Scope of Development (Attachment No. 6 to the DDA), and all plans and specifications approved by the County and other Governmental Authority, within the time frame set forth in the Schedule of Performance (Attachment No. 4 to the DDA).

(b) Grantee covenants and agrees for itself, its successors, assigns and any successor in interest to the Property, or any portion thereof, as follows: (1) to continue to operate the Community Center (as defined in the DDA) pursuant to that certain Master License and Operating Agreement dated May 9, 2017 and entered into between Grantor ("County" therein) and Grantee ("Operator" therein) until the expiration of the term set forth there in which is June 30, 2020, and shall continue to operate the Community Center after June 30, 2020, at its sole cost, without any financial assistance from Grantor, for an additional period of seven (7) years after June 30, 2020 ("Additional 7 Year Term"), ensuring the Community Center is open to the public and Grantee shall provide the same or greater level of services as currently being provided under the Master License and Operating Agreement. Grantee further covenants and agrees for itself, its successors, assigns and any successor in interest to the Property, or any portion thereof that upon the expiration of the Additional 7 Year Term to continue to provide senior services at the same or greater level as they exist under the Master License and Operating Agreement in the City of Jurupa Valley at any other site operated by Grantee its successors, assigns and any successor in interest to the Property in perpetuity. Grantee, its successors and assigns shall have the discretion to determine what services will be offered to seniors based on community needs.

(c) Grantee, its successors and assigns, shall maintain the improvements on the Property in the same aesthetic and sound condition (or better) as the condition of the Property at the time of Completion (as defined in the DDA), reasonable wear and tear excepted. This standard for the quality of maintenance of the Property shall be met whether or not a specific item of maintenance is listed below. In the event of the Grantee's or any successor's failure to comply with this Section, the Grantor, on two (2) weeks' prior written notice, may cause such compliance and upon the completion thereof, its cost shall be borne by the Grantee or its successor (as the case may be) and until paid, shall be a lien against the Property. Grantee shall have the right to assign its responsibilities pursuant to this paragraph

5. Grantee hereby covenants for itself, its successors, its assigns and every successor in interest to the Property that, prior to recordation of the Notice of Completion in the Official Records for the last building built as part of the Project in accordance with the DDA:

(a) The Grantee shall have no power to make any sale, transfer, conveyance, encumbrance, lease or assignment of the Property, or any part thereof, or any buildings or improvements thereon, without the prior written consent of the Grantor, except other conveyance permitted by Section 5(b), below, or to municipal corporations or public utilities or others as grantee for easements or permits to facilitate development of the Property. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property, nor shall it prohibit granting any security interests permitted by paragraph (5)(b) of this Grant Deed for financing the construction and development of the Property. The lien created hereby shall be subordinate and subject to any such security interests.

(b) The Grantee shall not place or suffer to be placed on the Property any lien or encumbrance other than mortgages, deeds of trust, or other methods of financing the Improvements and developing the Property that is permitted by the DDA. Prior to Completion as defined in the DDA (1) Grantee shall not have any authority to encumber the Property for any purpose other than Permitted Financing Purposes (as defined in Section 3.16 of the DDA); (2) Grantee shall notify Grantor in writing in advance of any proposed financing; and (3) Grantee shall not enter into any agreements for non-Permitted Financing Purposes requiring a conveyance of security interests in the Property without the prior written approval of the Grantor.

6. Right of Reverter.

(a) In the event Grantee fails to satisfy all obligations set forth herein related to development and construction of the Project pursuant to Section 2.16 of this DDA, after notice and opportunity to cure, and/or in the event of an uncured default described in Section 5.9 after notice and opportunity to cure, the Grantor shall have the right, at its option, to reenter and take possession of the Property with all improvements thereon, and to terminate and revert in the Grantor title to the estate theretofore conveyed to the Grantee and Grantee shall thereupon forfeit its title to the Property and any improvements thereon.

(b) Upon the reversion in the Grantor of title to the Property, as provided in this Section 6 and Sections 2.16 and 5.10 of the DDA, the Grantor shall use its diligent and good faith efforts to resell the Property as soon and in such manner as the Grantor shall find feasible in its sole discretion, to a qualified and responsible party or parties (as determined by the Grantor in its sole discretion), who will assume the obligation of making or completing the Improvements, or such other improvements in their stead as shall be satisfactory to the Grantor in its sole discretion and consistent with the provisions of Title 3, Division 2, Part 2, Chapter 5, Article 8 of the California Government Code. Upon such resale of the Property or portion thereof, the proceeds thereof shall be applied to:

- (1) Reimburse the Grantor on its own behalf of all costs and expenses incurred by the Grantor, including salaries of personnel engaged in such action, in connection with the recapture, management and resale of the Property, or any part thereof (but less any income derived by the Grantor from the sale of the Property, or any part thereof, or from the management of such Property); all taxes, assessments and water and sewer charges with respect to the Property or any part thereof (or, in the event the Property, or any part thereof, is exempt from taxation or assessment or such charges during the period of Grantee's ownership, then such taxes, assessments or charges as would have been payable if the Property, or part thereof, were not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Grantee, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the agreed improvements or any part thereof on the Property, or any part thereof; and any amounts otherwise owing to the Grantor by the Grantee and its successor or transferee; and

- (2) Reimburse the Grantee, its successor or transferee, for Grantee equity up to the amount equal to: (i) the costs incurred for the development of the Property, or any part thereof, or for the construction of the agreed improvements thereon, less (ii) the sum of gains or income withdrawn or realized by Grantee, its successors or assigns from the Property or from the improvements on the Property; and any balance remaining after such reimbursements shall be retained by the Grantor as its property.

(c) To the extent that the right established in this Section 6 involves a forfeiture, it must be strictly interpreted against the Grantor, the party for whose benefit it is created.

(d) The cure periods discussed in this Section 6 shall run concurrently with each other and with any other rights to cure set forth in the DDA, this Deed or any other instrument.

7. The Grantee covenants and agrees for itself and its successors, assigns and any successor in its interest to the Property, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, national origin, ancestry, age, physical handicap, medical condition, marital status, sex or sexual orientation in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of their Property, nor shall the Grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, leases, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

All deeds, leases or contracts made relative to the Property, the Improvements thereon, or any part thereof shall contain or be subject to substantially the following non-discrimination or non-segregation clauses:

(a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of

subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

(c) In contracts: “There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the land.”

8. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed or in the DDA shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other security instrument permitted by this Grant Deed and made in good faith and for value; provided, however, that any subsequent owner of the Property shall be bound by such remaining covenants, conditions, restrictions limitations and provisions, whether such owner’s title was acquired by foreclosure, trustee’s sale or otherwise, and shall be entitled to all the benefits granted to Grantee and its assigns hereunder.

9. All covenants without regard to technical classification or designation shall be binding for the benefit of the Grantor and the County of Riverside (“County”), and such covenants shall run in favor of the Grantor and County for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor or County is or remains an owner of any land or interest therein to which such covenants relate. The Grantor and/or the County, in the event of any breach of any such covenant, shall have the right to exercise all the rights and remedies, and to maintain any action at law or suits in equity or other proper proceedings to enforce the curing of such breach.

10. All covenants contained in this Grant Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, except for the right of reverter contained in Section 6 of this Grant Deed.

11. Only the Grantor, its successors, and assigns, and Grantee and the successors and assigns of Grantee in and to all or any part of the fee title to the Property, or any part thereof, shall have the right to mutually consent and agree to changes in, or to eliminate in whole or in part, any of the covenants, easements, or other restrictions contained in this Grant Deed or to subject the Property to additional covenants, easements, or other restrictions without the consent of any tenant, lessee, easement holder or licensee.

12. Except as otherwise provided in this Grant Deed, every covenant and condition and

restriction contained in this Grant Deed shall remain in effect for a period of thirty (30) years after the recordation of the Notice of Completion in the Official Records. The covenants against discrimination set forth in Section 7 shall remain in perpetuity.

13. In the event of any express conflict between this Grant Deed and the DDA, the provisions of this Grant Deed shall control.

[Remainder of Page Intentionally Blank]

[Signatures on the Following Page]

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers hereunto duly authorized.

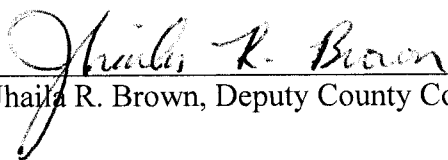
“GRANTOR”

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

By: _____
Robert Field,
Assistant County Executive Officer
Economic and Community Development

Date: _____

APPROVED AS TO FORM:
GREGORY P. PRIAMOS
COUNTY COUNSEL

By:  _____
Jhaila R. Brown, Deputy County Counsel

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2018, before me, _____, Notary Public, personally appeared _____, 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

Grantee accepts and agrees to all of the terms and provisions of this Grant Deed.

“GRANTEE”

Family Service Association, a California
non-profit public benefit corporation

By: _____
Dominic Betro, President/CEO

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF _____)

On _____, 2018, before me, _____, Notary Public, personally appeared _____, 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

EXHIBIT "A"

LEGAL DESCRIPTION

All that certain real property located in the City of Jurupa Valley, County of Riverside, State of California, described as follows:

PARCEL 1: APN 182-290-025

Parcel B of Notice of Lot Line Adjustment for the Smith Center and adjacent land, recorded July 30, 2001 as Instrument No. 2001-354646 of Official Records of Riverside County, California, and more particularly described as follows:

That portion of Parcel 2 of Parcel Map No. 4932, in the City of Jurupa Valley, County of Riverside, State of California, on file in Book 8 of Parcel Maps, Page 60 thereof, Records of Riverside County, California, described as follows:

BEGINNING at the most easterly comer of said Parcel 2, said corner being a point in the southwesterly line of Mission Boulevard as shown by said Parcel Map No. 4932;

Thence S.29°37'42"W. along the southeasterly line of said Parcel 2, a distance of 150.68 feet;

Thence N.60°22'18"W., a distance of 4.55 feet;

Thence S.29°37'42"W., a distance of 62.94 feet;

Thence N.60°22'18"W., a distance of 15.08 feet;

Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.29°37'42"W., a distance of 2.06 feet;

Thence southerly along a tangent curve concave easterly, having a radius of 2.00 feet, through an angle of 90°00'00," an arc length of 3.14 feet;

Thence S.60°22'18"E., a distance of 15.20 feet;

Thence S.29°37'42"W., a distance of 53.97 feet;

Thence N.60°22'18"W., a distance of 17.40 feet;

Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet;

Thence S.29°37'42"W., a distance of 14.11 feet;

Thence N.60°23'58"W., a distance of 56.03 feet, to the northwesterly line of said Parcel 2;

Thence N.29°37'42"E. along said northwesterly line, a distance of 292.18 feet, to the most northerly comer of said Parcel 2, said comer being a point in the southwesterly line of said Mission Boulevard.

Thence S.58°39'15"E. along the northeasterly line of said Parcel 2, also being along said southwesterly line of Mission Boulevard, a distance of 79.91 feet, to the Point of Beginning.

PARCEL 2: APN 182-290-023

Parcel C of Notice of Lot Line Adjustment for the Smith Center and adjacent land, recorded July 30, 2001 as Instrument No. 2001-354646 of Official Records of Riverside County, California, and more particularly described as follows:

That portion of Parcel 1 of Parcel Map No. 4932, in the City of Jurupa Valley, County of Riverside, State of California, on file in Book 8 of Parcel Maps, Page 60 thereof, Records of Riverside County, California, described as follows:

COMMENCING at the most easterly corner of said Parcel 2 of said Parcel Map No. 4932, said corner being a point in the southwesterly line of Mission Boulevard as shown by said Parcel Map; Thence S.29°37'42"W. along the southeasterly line of said Parcel 2, a distance of 150.68 feet; Thence N.60°22'18"W., a distance of 4.55 feet; Thence S.29°37'42"W., a distance of 62.94 feet; Thence N.60°22'18"W., a distance of 15.08 feet; Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet; Thence S.29°37'42"W., a distance of 2.06 feet; Thence southerly along a tangent curve concave easterly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet; Thence S.60°22'18"E., a distance of 15.20 feet; Thence S.29°37'42"W. a distance of 53.97 feet; Thence N.60°22'18"W., a distance of 17.40 feet; Thence westerly along a tangent curve concave southerly, having a radius of 2.00 feet, through an angle of 90°00'00", an arc length of 3.14 feet; Thence S.29°37'42"W., a distance of 14.11 feet; Thence N.60°23'58"W., a distance of 56.03 feet, to the northwesterly line of said Parcel 2, also being the southeasterly line of said Parcel 1, being the True POINT OF BEGINNING; Thence continuing N.60°23'58"W., a distance of 118.01 feet; Thence N.28°37'21"E a distance of 15.63 feet; Thence northerly along a tangent curve concave westerly, having a radius of 2.00 feet, through an angle of 89°58'20", an arc length of 3.11 feet; Thence N.60°22'18"W., a distance of 29.05 feet, to the northwesterly line of said Parcel 1; Thence N.29°37'42"E. along said northwesterly line, a distance of 279.13 feet, to the most northerly corner of said Parcel 1, said corner being a point in the southwesterly line of said Mission Boulevard. Thence S.58°39'15"E. along the northeasterly line of said Parcel 2, also being along said southwesterly line of Mission Boulevard, a distance of 149.40 feet, to the Point of Beginning.