

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



**ITEM: 3.15**  
(ID # 18703)

**MEETING DATE:**

Tuesday, May 24, 2022


**FROM :** HOUSING AND WORKFORCE SOLUTIONS:

**SUBJECT:** HOUSING AND WORKFORCE SOLUTIONS (HWS): Approve the Allocation of \$2,000,000 in American Rescue Plan Act (ARPA) Funds to Lift to Rise, a California Public Benefit Corporation, for the Coachella Valley Regional Housing Catalyst Fund; Approve the Form of the Subrecipient's Agreement for the Use of Riverside County American Rescue Plan Act (ARPA) Funding for the Coachella Valley Catalyst Fund; and Approve the Form of the Covenant Agreement; District 4; [\$2,000,000 – 100% Federal ARPA Funds]; CEQA Exempt (Clerk of the Board to File the Notice of Exemption)

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

1. Find that the Subrecipient's Agreement for the Use of Riverside County American Rescue Plan Act (ARPA) Funding for the Coachella Valley Catalyst Fund (Subrecipient's Agreement) does not constitute a project under California Environmental Quality Act (CEQA) and Section 15004(b) of the CEQA Guidelines in that it does not vest any development rights or result in the physical change in the environment, requires a developer to comply with CEQA and obtain all land use entitlements from the local jurisdiction as the lead agency, and does not commit the lead agency to any definite course of action or foreclose alternatives or mitigation measures that would ordinarily be part of CEQA;
2. Approve the grant in the amount of \$2,000,000 of the County's American Rescue Plan Act (ARPA) allocation to Lift to Rise, a California public benefit corporation, to support the creation of the Coachella Valley Regional Housing Catalyst Fund, a revolving loan fund to be utilized for the pre-development, acquisition, and development of affordable housing units throughout the Coachella Valley;

**ACTION:Policy**

  
Heidi Marshall, Director 5/16/2022

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: May 24, 2022  
xc: HWS, Recorder

Kecia R. Harper  
Clerk of the Board

By:   
Deputy

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3. Approve the attached form of Subrecipient’s Agreement, including all attachments thereto, between the County of Riverside and Lift to Rise;
4. Authorize the Director of the Housing and Workforce Solutions (HWS), or designee, to execute the Subrecipient’s Agreement on behalf of the County, substantially conforming in form and substance to the attached Subrecipient’s Agreement, subject to approval as to form by County Counsel;
5. Approve the attached form of Covenant Agreement;
6. Authorize the Director of HWS, or designee, to execute the Covenant Agreement on behalf of the County, conforming substantially in form and substance to the attached Covenant Agreement, subject to approval as to form by County Counsel;
7. Authorize the Director of HWS, or designee, to take all necessary steps to implement the Subrecipient’s Agreement and Covenant Agreement(s), including but not limited to, signing subsequent necessary and relevant documents, subject to approval as to form by County Counsel;
8. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) business days of approval; and
9. Approve and direct the Auditor-Controller to make the budget adjustment as detailed in the attached Schedule A.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$2,000,000	\$ 0	\$2,000,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> American Rescue Plan Act (ARPA) Funds (100%)			<b>Budget Adjustment:</b>	Yes
			<b>For Fiscal Year:</b>	2021/22

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On February 9, 2021, the Board of Supervisors adopted Resolution No. 2021-043 (Minute Order 3.01) in support of The We Will Lift Regional Pledge for Housing Opportunity including a partnership with Lift to Rise to promote housing stability and economic mobility for Riverside County residents in Coachella Valley.

On October 19, 2021 (Minute Order 3.5), the Board of Supervisors allocated \$50,000,000 for the purpose of addressing housing and homelessness through development of affordable housing and providing shelter. The \$50,000,000 allocated by the Board was further divided into

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five \$10,000,000 investments to each Supervisorial District. The funding allocated by the Board was the State and Local Fiscal Recovery Funds (SLFRF) the County is allocated to receive as part of the American Rescue Plan Act (ARPA) of 2021 (Pub. L 117-2). These ARPA funds are to focus on projects and/or programs that serve as a pathway to transition into permanent housing with the necessary supporting infrastructure. The allowable uses of ARPA funds include revolving loans to increase shelter capacity, permanent supportive housing units and affordable housing to help address homelessness and the impacts of the COVID-19 pandemic.

The County supported a State Budget proposal from Lift to Rise for the creation of the Coachella Valley Regional Housing Catalyst Fund administered in partnership with the County of Riverside, the Low-Income Investment Fund, and the Rural Communities Assistance Corporation, to catalyze the development of 2,000 units of affordable housing in the Coachella Valley, and serve as an initial investment structure that can be expanded across the County over time.

As a subrecipient, Lift to Rise is proposing to utilize and administer a grant of \$2,000,000 in ARPA funds to create a revolving loan fund for the pre-development, acquisition, and development of at least 300 affordable housing units throughout the Coachella Valley in impacted communities as defined in ARPA by September 30, 2024, and to attract investment and spur further development. Additionally, the units funded by ARPA must be set aside for households making 80% or less of the area median income for the County of Riverside in which a covenant agreement or regulatory agreement will be recorded for each of these projects for a term of 55 years.

The County, including its Executive Office, will monitor the performance of Lift to Rise as the Subrecipient against goals and performance standards as provided in the Subrecipient's Agreement. The Subrecipient will be obligated to cooperate with the County to provide adequate documentation as needed for audit purposes. Substandard performance as determined by the County shall constitute noncompliance with the Subrecipient's Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

Staff recommends that the Board approve allocation of funding, the Subrecipient's Agreement, and the Covenant Agreement. County Counsel has reviewed and approved as to form the attached Subrecipient's Agreement and Covenant Agreement.

**Impact on Residents and Businesses**

Approving this item will have a positive impact on the citizens and businesses of Riverside County by bringing much needed affordable housing to the region.

**SUPPLEMENTAL:**

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**Additional Fiscal Information**

No impact upon the County's General Fund; the County's contribution to the Project will be fully funded with American Rescue Plan Act (ARPA) funds allocated from California's direct allocation of federal ARPA funds.

**ATTACHMENTS:**

- Form of the Subrecipient's Agreement for the Use of ARPA Funds, including all exhibits and Form of the Covenant Agreement (attached)
- Notice of Exemption
- Schedule A

  
Heydee Koury, Sr Accountant - Auditor 5/18/2022

  
Erianna Lontajo, Principal Management Analyst 5/19/2022

  
Cynthia M. Guanzel, Chief Deputy County Counsel 5/18/2022



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on.

5/20/22  
Date

JM  
Initial

**Notice of Exemption**

To:  Office of Planning and Research  
For U.S Mail: Street Address:  
P.O. Box 3044 1400 Tenth St.  
Sacramento, CA 95812-3044 Sacramento, CA 95814

From: Public  
Agency: County of Riverside  
Address: 4080 Lemon Street, Suite 400  
Riverside, CA 92501  
Contact: Mervyn Manalo  
Phone: (951) 955-0774

County Clerk  
County of Riverside  
2724 Gateway Drive  
P.O. Box 751  
Address: Riverside, CA 92502-0751

Lead Agency (if different from above):  
Address:  
Contact:  
Phone:

**SUBJECT: Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the public Resources Code.**

State Clearinghouse Number (if submitted to State Clearinghouse): \_\_\_\_\_

Project Title: Subrecipient's Agreement for the Use of Riverside County American Rescue Plan Act (ARPA) Funding for the Coachella Catalyst Fund

Project Location (include county): County of Riverside

Project Description: Lift to Rise is proposing to utilize and administer a grant of \$2,000,000 in American Rescue Plan Act (ARPA) funds allocated from California's direct allocation of federal ARPA funds to the County under the American Rescue Plan Act of 2021 ((Pub. L. 117-2)) to create a revolving loan fund for the pre-development, acquisition, and development of at least 300 affordable housing units throughout the Coachella Valley in impacted communities as defined in ARPA by September 30, 2024, and to attract investment and spur further development. Additionally, the units funded by ARPA must be set aside for households making 80% or less of th(e area median income for the County of Riverside in which a regulatory agreement will be recorded for each of these projects for a term of 55 years.

Project Sponsor: County of Riverside

This is to advise that the County of Riverside Board of Supervisors approved the above project on

Lead agency or  Responsible Agency

May 24, 2022 and has made the following determinations regarding the above described project:  
(tentative date)

Find that the Subrecipient Agreement for the Use of American Rescue Plan Act (ARPA) Funds for the Coachella Valley Catalyst Fund does not constitute a project under California Environmental Quality Act (CEQA) and Section 15004(b) of the CEQA Guidelines in that it does not vest any development rights or result in the physical change in the environment, requires a developer to comply with CEQA and obtain all land use entitlements from the local jurisdiction as the lead agency, and does not commit the lead agency to any definite course of action or foreclose alternatives or mitigation measures that would ordinarily be part of CEQA.

Signature: (Public Agency) \_\_\_\_\_ Title: Principal Development Specialist

Date: 5/18/22 Date received for filing at OPR: \_\_\_\_\_  
Juan Garcia

COPY

# Riverside County Clerk-Recorder

## Authorization to Bill by Journal Voucher

To be completed by submitting Agency

### COUNTY OF RIVERSIDE DEPARTMENT OF HOUSING AND WORKFORCE SOLUTIONS (HWS)

Authorization # \_\_\_\_\_  
Date: 5/24/2022  
Agency/Division: County of Riverside HWS - Attn: Tristan Chen x52207  
Accounting String: 

	FUND	DEPT ID	ACCT
(Interfund)	21330	550	1030000
(Non-Interfund)			

**This authorizes the "County Clerk & Recorder Office" to issue a Journal Voucher for payment of all fees for the accompanying documents.**

Number of Documents Included: 1 Notice of Exemption (ARPA Subrecipient Agmt L2R)

Authorized by:   
Juan Garcia, Principal Development Specialist

Presented by:   
Mervyn Mahalo, Housing Specialist



### To be completed by County Recorder

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

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

Document no(s)/invoice no(s): \_\_\_\_\_

**SCHEDULE A**  
**Housing and Workforce Solutions**  
**Budget Adjustment**  
**Fiscal Year 2021/2022**  
**County of Riverside ARPA Loan**

**Increase in Appropriations:**

<b>21735-5501000000-536200</b>	<b>Contrib. To Non-County Agency</b>	<b>\$</b>	<b>2,000,000</b>
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**Increase in Estimated Revenues:**

<b>21735-5501000000-763520</b>	<b>Fed-American Rescue Plan Act</b>	<b>\$</b>	<b>2,000,000</b>
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**Form of Subrecipient's Agreement  
for the Use of Riverside County  
American Rescue Plan Act (ARPA)  
Funding for the Coachella Valley  
Catalyst Fund**



**CLERK'S COPY**

to Riverside County Clerk of the Board, Stop 1010  
Post Office Box 1147, Riverside, Ca 92502-1147  
Thank you.

**SUBRECIPIENT'S AGREEMENT  
FOR THE USE OF RIVERSIDE COUNTY  
AMERICAN RESCUE PLAN ACT (ARPA) FUNDING  
FOR THE COACHELLA VALLEY CATALYST FUND**

This Subrecipient's Agreement ("Agreement"), for the use of U.S. Department of the Treasury ("Treasury Department") Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") under the American Rescue Plan Act of 2021 ( Pub. L. 117-2), amending Title VI of the Social Security Act (42 U.S.C. 801 et seq.), hereinafter "ARPA or the "Act", for the purpose of developing affordable housing through the Coachella Valley Catalyst ("CVC") Fund, is made and entered into as of the Effective Date (defined herein), by and between, County of Riverside, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and Lift to Rise, a California public benefit corporation, hereinafter referred to as "SUBRECIPIENT".

RECITALS

WHEREAS, two-thirds of the households in the Coachella Valley are rent-burdened, paying more than one-third of their income for rent; and

WHEREAS, California's affordable housing funding streams have long favored coastal and metropolitan areas over the Coachella Valley and other inland and rural communities, making it difficult to compete for the resources necessary to address housing needs in the eastern part of Riverside County; and

WHEREAS, between 2010 and 2018, the Coachella Valley averaged just thirty-eight (38) new affordable units of housing per year, when more than 10,000 such units are needed to meet the current demand; and

WHEREAS, the COVID-19 pandemic did not affect all communities equally, resulting in disproportionate impacts to many low-income families in the Coachella Valley who were forced to become unhoused, under-housed or live in unsuitable conditions such as living in their cars; and

WHEREAS, on March 11, 2021, to address the negative economic impacts of the COVID-19 pandemic, President Joseph R. Biden signed into law the Act, and on January 6, 2022, the Treasury Department adopted a Final Rule implementing the SLFRF; and

1 WHEREAS, state, territorial, local, and tribal governments must comply with the Final  
2 Rule by April 1, 2022 when the Final Rule takes effect; and

3 WHEREAS, the Act, the regulations promulgated thereunder in 31 CFR Part 35, and the  
4 Final Rule (collectively, "ARPA Rules") provides that the SLFRF may be used to cover costs  
5 that are necessary expenditures incurred due to the public health emergency with respect to the  
6 COVID-19 pandemic; and

7 WHEREAS, the Act states that the SLFRF may be used "to respond to the public health  
8 emergency with respect to COVID-19 and its negative economic impacts, including assistance  
9 to households, small businesses and nonprofits"; and

10 WHEREAS, pursuant to 31 CFR Part 35(b)(3)(ii)(A)(5), one of the Eligible Uses (as  
11 defined under ARPA Rules) of the SLFRF is to respond to the public health emergency or its  
12 negative economic impacts for the purpose of assisting low-income households and individuals  
13 disproportionately impacted by the COVID-19 pandemic through the development, repair and  
14 operation of affordable housing and services or programs to increase long-term housing security;  
15 and

16 WHEREAS, on October 19, 2021, via Minute Order 3.5, the Board of Supervisors of the  
17 County of Riverside approved allocating \$50,000,000 in ARPA funds to increase shelter  
18 capacity, permanent supportive housing units and affordable housing to help address  
19 homelessness and the impacts of the COVID-19 pandemic; and

20 WHEREAS, SUBRECIPIENT has submitted a proposal to receive the Riverside County  
21 Contribution to the CVC Fund (defined below) to support and spur the development of at least  
22 three hundred (300) units of affordable housing within the Eastern Desert and San Gorgonio Pass  
23 service area of Riverside County; and

24 WHEREAS, COUNTY has determined that Riverside County Contribution to the CVC  
25 Fund is an Eligible Use of the SLFRF because the funds will be used to respond to the COVID-  
26 19 public health emergency and its negative economic impacts in that it will assist low-income  
27 households and individuals disproportionately impacted by the COVID-19 pandemic through

1 the development, repair and operation of affordable housing and services or programs to increase  
2 long-term housing security; and

3 WHEREAS, COUNTY has accepted SUBRECIPIENT's proposal and desires to invest  
4 Two Million Dollars (\$2,000,000) of its SLFRF allocation (the "Riverside County Contribution  
5 to the CVC Fund") for the purposes of supporting and spurring the development of at least three  
6 hundred (300) affordable housing units in the Coachella Valley;

7 WHEREAS, SUBRECIPIENT shall use by September 30, 2024 its Riverside County  
8 Contribution to the CVC Fund to create a revolving loan fund for the pre-development,  
9 acquisition and/or development of at least three hundred (300) affordable housing units within  
10 the Coachella Valley with potential housing units located in Coachella (54), Thermal (100),  
11 Indian Wells (100), and Palm Desert (120), and to attract investment and spur further  
12 development. Additionally, the units funded by the SLFRF shall be set aside for households  
13 making 80% or less of Area Median Income for the County of Riverside. Each of the projects  
14 funded with the SLFRF shall be evidenced by a regulatory agreement or affordability covenant  
15 with a term of fifty-five (55) recorded in the Official Records of the County of Riverside that  
16 substantially conforms to the Covenant Agreement attached hereto as Exhibit B and incorporated  
17 herein by the reference.

18 NOW, THEREFORE, the COUNTY and SUBRECIPIENT mutually agree as follows:

19 1. PURPOSE AND USE OF FUNDS. The aforementioned Recitals are true and  
20 correct and incorporated herein by this reference. COUNTY has agreed to grant the  
21 SUBRECIPIENT a maximum total amount of Two Million Dollars (\$2,000,000) as the Riverside  
22 County Contribution to the CVC Fund. SUBRECIPIENT promises and agrees to undertake to  
23 support and spur development of three hundred (300) units of affordable housing in the  
24 Coachella Valley by utilizing the sum of \$2,000,000 of the SLFRF to create a revolving loan  
25 fund, as set forth in this Agreement and in in Exhibit A, which is attached hereto and incorporated  
26 herein by this reference.

27 The Riverside County Contribution to the CVC Fund shall be used for only Eligible Uses

1 under the ARPA Rules and to cover “costs incurred” by the SUBRECIPIENT between March 3,  
2 2021 and September 24, 2024. SUBRECIPIENT shall demonstrate to the COUNTY, in the  
3 COUNTY’s sole and absolute discretion, that the Riverside County Contribution to the CVC  
4 Fund for each project is deemed fully expended, in compliance with the ARPA Rules that relate  
5 to loans.

6 2. TERM OF AGREEMENT. This Agreement shall become effective upon the  
7 Effective Date, as defined in Section 32 below, and unless terminated earlier pursuant to the  
8 terms hereof, shall continue in full force and effect until **September 30, 2024.**

9 3. PERFORMANCE AND OUTCOMES. SUBRECIPIENT shall proceed consistent  
10 with Section II as set forth in Exhibit A.

11 4. EXTENSION OF TIME. COUNTY may grant an extension, in its sole and absolute  
12 discretion, to the completion schedule for the purpose of completing SUBRECIPIENT’S  
13 Riverside County Contribution to the CVC Fund activities which are underway and cannot be  
14 completed during the term of this Agreement. SUBRECIPIENT shall request said extension in  
15 writing, stating the reasons therefore, and may be granted only by receiving written approval  
16 from COUNTY. Every term, condition, covenant and requirement of this Agreement shall  
17 continue in full force and effect during the period of any such extension.

18 5. LETTER TO PROCEED. SUBRECIPIENT shall not initiate nor incur expenses  
19 for the Riverside County Contribution to the CVC Fund project/activity covered under the terms  
20 of this Agreement prior to receiving written authorization from COUNTY to proceed.

21 6. NOTICES. Each notice, request, demand, consent, approval or other  
22 communication (hereinafter in this Section referred to collectively as “notices” and referred to  
23 singly as a “notice”) which the COUNTY or SUBRECIPIENT is required or permitted to give  
24 to the other party pursuant to this Agreement shall be in writing and shall be deemed to have  
25 been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any  
26 notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent  
27 by Federal Express (or other similar national overnight courier) designating early morning

1 delivery (any notice so delivered shall be deemed to have been received on the next business day  
2 following receipt by the courier); or (c) sent by United States registered or certified mail, return  
3 receipt requested, postage prepaid, at a post office regularly maintained by the United States  
4 Postal Service (any notice so sent shall be deemed to have been received two days after mailing  
5 in the United States), addressed to the respective parties as follows:

<u>COUNTY</u>	<u>SUBRECIPIENT</u>
Heidi Marshall, Director	Heather Vaikona, President & CEO
County of Riverside HWS	Lift To Rise
3403 Tenth Street, Suite 300	73-710 Fred Waring Drive, Suite 100
Riverside, CA 92504	Palm Desert, CA 92260

11 7. DISBURSEMENT OF FUNDS. COUNTY'S Board of Supervisors shall determine  
12 the final disbursement and distribution of all funds received by COUNTY under the Riverside  
13 County Contribution to the CVC Fund and the SLFRF consistent with the provisions of Sections  
14 1 and 2 of this Agreement. COUNTY, through its Department of Housing and Workforce  
15 Solutions (HWS) shall: (1) make payments of the grant funds to SUBRECIPIENT as set forth in  
16 Exhibit A and (2) monitor the Riverside County Contribution to the CVC Fund activity to ensure  
17 compliance with applicable ARPA Rules, applicable federal regulations, and the terms of this  
18 Agreement.

19 8. PAYMENT OF FUNDS. The COUNTY shall pay to the SUBRECIPIENT the sum  
20 specified in Section 1 as a one-time lump-sum payment. In addition to the more specific  
21 reporting requirements set forth in the Agreement and Exhibit A, the SUBRECIPIENT shall  
22 submit to the Director of HWS, on or about the 26<sup>th</sup> of each third month, in writing, a certified  
23 statement, in a format acceptable to the COUNTY, that sets forth in detail the total estimated  
24 expenditures to be made for the Riverside County Contribution to the CVC Fund, including but  
25 not limited to, payments to affordable housing developers.

26 9. RECORDS AND INSPECTIONS.

27 a. SUBRECIPIENT shall establish and maintain financial, programmatic,

1 statistical, and other supporting records of its operations and financial activities in accordance  
2 with the ARPA Rules and the Uniform Administrative Requirements, Cost Principles, and Audit  
3 Requirements for Federal Awards (2 CFR Part 200) as it relates to the acceptance and use of the  
4 SLFRF under this Agreement. Said records shall be retained for a period of five (5) years from  
5 the date that the activity or program funded with the Riverside County Contribution to the CVC  
6 Fund is closed out by the COUNTY and reported as complete to the Board of Supervisors.  
7 Exceptions to the five-year retention period requirement, pursuant to 2 CFR 200.333 include the  
8 following:

9 i. if any litigation, claim, or audit is started prior to the expiration of  
10 the three (3) period;

11 ii. when the SUBRECIPIENT is notified in writing by the COUNTY  
12 or a Federal agency to extend the retention period;

13 b. SUBRECIPIENT shall maintain a separate account for Riverside County  
14 Contribution to the CVC Funds received.

15 c. SUBRECIPIENT shall obtain an external audit in accordance with the  
16 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal  
17 Awards (2 CFR Section 200.500). Audits shall usually be performed annually but not less  
18 frequently than every two years. Nonprofit institutions and government agencies that expend less  
19 than \$750,000 a year in federal awards are exempt from federal audit requirements, but records  
20 must be available for review by appropriate officials of the federal grantor agency or subgranting  
21 entity. The audit report shall be submitted to the COUNTY within 180 days after the end of the  
22 COUNTY'S fiscal year.

23 d. SUBRECIPIENT shall, during normal business hours make available to  
24 COUNTY and to authorized Federal Agencies for examination and copying all of its records and  
25 other materials with respect to matters covered by this Agreement.

26 10. COMPLIANCE WITH LAWS AND REGULATIONS. The SUBRECIPIENT  
27 shall comply with all applicable federal, state and local laws, regulations and ordinances. By

1 executing this Agreement, the SUBRECIPIENT hereby certifies that it will adhere to and comply  
2 with the following as they may be applicable to a SUBRECIPIENT of the SLFRF granted  
3 pursuant to the ARPA Rules and shall pass down these requirements to all tiers of subcontractors,  
4 consultants, and subconsultants working under this Agreement:

5 a. Compliance with Executive Order 11246 of September 24, 1965, entitled  
6 "Equal Employment Opportunity", as amended by Executive Order 11375 of October 13, 1967,  
7 and as supplemented in Department of Labor Regulations (41 CFR Part 60). The  
8 SUBRECIPIENT will not discriminate against any employee or applicant for employment  
9 because of race, color, religion, sex, or national origin. SUBRECIPIENT shall ensure that all  
10 qualified applicants will receive consideration for employment without regard to race, color,  
11 religion, sex or national origin. The SUBRECIPIENT will take affirmative action to ensure that  
12 applicants are employed and the employees are treated during employment, without regard to  
13 their race color, religion, sex, or national origin. Such actions shall include, but are not limited  
14 to, the following: employment, up-grading, demotion, or transfer; recruitment or recruitment  
15 advertising; rates of pay or other forms of compensation; and selection for training, including  
16 apprenticeship. The SUBRECIPIENT agrees to post in a conspicuous place, available to  
17 employees and applicants for employment, notices to be provided by the County setting forth  
18 the provisions of this non-discrimination clause;

19 b. Executive Order 11063, as amended by Executive Order 12259, and  
20 implementing regulations at 24 CFR Part 107;

21 c. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended,  
22 and implementing regulations;33

23 f. The Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and  
24 implementing regulations;

25 g. h. The regulations, policies, guidelines and requirements of the  
26 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal  
27 Awards (2 CFR Part 200) as they relate to the acceptance and use of federal funds under the

1 federally-assigned program;

2 i. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352) and implementing  
3 regulations issued at 24 CFR Part 1;

4 j. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284) as amended; and

5 k. *Rights to Data and Copyrights*: SUBRECIPIENT agree to comply with all  
6 applicable provisions pertaining to the use of data and copyrights pursuant to 48 CFR Part  
7 27.404-3, Federal Acquisition Regulations (FAR).

8 l. *Air Pollution Prevention and Control* (formally known as the *Clean Air*  
9 *Act*) (42 U.S.C.A. 7401 *et seq.*) and the *Federal Water Pollution Control Act* (33 U.S.C.A.  
10 *Section 1251 et seq.*), as amended: Contracts and subgrants of amounts in excess of \$100,000  
11 shall contain a provision that requires the recipient to agree to comply with all applicable  
12 standards, orders or regulations issued pursuant to the *Clean Air Act* (42 U.S.C.A. 7401 *et seq.*)  
13 and the *Federal Water Pollution Control Act* as amended (33 U.S.C.A. Section 1251 *et seq.*).  
14 Violations shall be reported to HUD and the Regional Office of the Environmental Protection  
15 Agency (EPA).

16 m. *Byrd Anti-Lobbying Certification* (31 U.S.C.A. 1352): The language of the  
17 certification set forth below shall be required in all contracts or subcontracts entered into in  
18 connection with this grant activity and all SUBRECIPIENTS shall certify and disclose  
19 accordingly. This certification is a material representation of fact upon which reliance was  
20 placed when this transaction was made or entered into. Submission of this certification is a  
21 prerequisite for making or entering into this transaction imposed by. Section 1352, Title 31,  
22 U.S. code. Any person who fails to file the required certification shall be subject to a civil  
23 penalty of not less than \$10,000 and no more than \$100,000 for such failure.

24 "The undersigned certifies, to the best of his or her knowledge or belief, that:

25 No Federal appropriated funds have been paid or will be paid, by or on behalf of  
26 it, to any person for influencing or attempting to influence an officer or employee of any agency,  
27 a Member of Congress, an officer or employee of Congress, or an employee of a Member of



1 Congress in connection with the awarding of any Federal contract, the making of any Federal  
2 grant, the making of any Federal loan, the entering into of any cooperative agreement, and the  
3 extension, continuation, renewal, amendment, or modification of any Federal contract, grant,  
4 loan, or cooperative agreement;

5 If any funds other than Federal appropriated funds have been paid or will be paid  
6 to any person for influencing or attempting to influence an officer or employee of any agency,  
7 a Member of Congress, an officer or employee of Congress, or an employee of a Member of  
8 Congress in connection with this Federal contract, grant loan or cooperative agreement, he/she  
9 will complete and submit Standard Form – LLL, “Disclosure Form to Report Lobbying,” in  
10 accordance with its instructions.”

11 n. *Debarment and Suspension (Executive Orders (E.O.) 12549 and 12689):*  
12 No contract shall be made to parties listed on the General Services Administration's List of  
13 Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with  
14 E.O.s 12549 and 12689, “Debarment and Suspension,” as set forth at 2 CFR Part 2424. This list  
15 contains the names of parties debarred, suspended, or otherwise excluded by agencies, and  
16 contractors declared ineligible under statutory or regulatory authority other than E.O. 12549.  
17 Contractors with awards that exceed the small purchase threshold shall provide the required  
18 certification regarding its exclusion status and that of its principal employees.

19 o. *Drug-Free Workplace Requirements:* The Anti-Drug Abuse Act of 1988  
20 (41 U.S.C.A. Section 8101-8103) requires grantees (including individuals) of federal agencies,  
21 as a prior condition of being awarded a grant, to certify that they will provide drug-free  
22 workplaces. Each potential recipient must certify that it will comply with drug-free workplace  
23 requirements in accordance with the Act and with HUD's rules at 2 CFR Part 2424.

24 p. *Access to Records and Records Retention:* The SUBRECIPIENT or  
25 Contractor, and any subconsultants or subcontractors, shall allow all duly authorized Federal,  
26 State, and/or County officials or authorized representatives access to the work area, as well as  
27 all books, documents, applications for assistance, materials, papers, and records of the

1 SUBRECIPIENT or Contractor, and any subconsultants or subcontractors, that are directly  
2 pertinent to a specific program for the purpose of making audits, examinations, excerpts, and  
3 transcriptions. The SUBRECIPIENT or Contractor, and any subconsultants or subcontractors,  
4 further agree to maintain and keep such books, documents, applications for assistance, materials,  
5 papers, and records, on a current basis, recording all transactions pertaining to this agreement  
6 in a form in accordance with generally acceptable accounting principles. All such books and  
7 records shall be retained for such periods of time as required by law, provided, however,  
8 notwithstanding any shorter periods of retention, all books, records, and supporting detail shall  
9 be retained for a period of at least three (3) years after the expiration of the term of this  
10 Agreement.

11 q. *Federal Employee Benefit Clause:* No member of or delegate to the  
12 Congress of the United States, and no Resident Commissioner shall be admitted to any share or  
13 part of this agreement or to any benefit to arise from the same.

14 r. *Energy Efficiency:* Mandatory standards and policies relating to energy  
15 efficiency which are contained in the State energy conservation plan issued in compliance with  
16 the Energy Policy and Conservation Act (Pub. L. 94 - 163, Dec. 22, 1975; 42 U.S.C.A. Section  
17 6201, et. seq., 89 Stat.871).

18 s. *Procurement of Recovered Materials (2 CFR 200.322.):* A non-Federal  
19 entity that is a state agency or agency of a political subdivision of a state and its contractors  
20 must comply with 42 U.S.C. Section 6962 of the Solid Waste Disposal Act (42 U.S.C.A. Section  
21 6901, et seq.), as amended by the Resource Conservation and Recovery Act. The requirements  
22 of Section 6002 include procuring only items designated in guidelines of the Environmental  
23 Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered  
24 materials practicable, consistent with maintaining a satisfactory level of competition, where the  
25 purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding  
26 fiscal year exceeded \$10,000; procuring solid waste management services in a manner that  
27 maximizes energy and resource recovery; and establishing an affirmative procurement program

1 for procurement of recovered materials identified in the EPA guidelines.

2 t. *Contract Work Hours and Safety Standards Act ("CWHSA")*(30 U.S.C.  
3 3701-3708): SUBRECIPIENT agrees to comply with all applicable provisions of the CWHSA.

4 u. *Lead Hazard Control Requirements (24 CFR Part 35)*: SUBRECIPIENT  
5 agrees to comply with all applicable provisions of the Lead Hazard Control Requirements as set  
6 forth in 24 CFR Part 35.

7 w. *Uniform Relocation Act (24 CFR Part 92.353)*: SUBRECIPIENT agrees  
8 to comply with all applicable provisions of the Uniform Relocation Act as set forth in 24 CFR  
9 Part 92.353.)

10 x. *Prevailing Wages*: SUBRECIPIENT shall comply with any applicable  
11 labor regulations and all other State laws in connection with the work which compromise the  
12 Project, including if applicable, requirements relating to prevailing wages. SUBRECIPIENT  
13 agrees and acknowledges that it is the responsibility of the SUBRECIPIENT to obtain a legal  
14 determination, at SUBRECIPIENT's sole cost and expenses as to whether prevailing wages  
15 must be paid for during the work. SUBRECIPIENT agrees to indemnify, defend, and hold  
16 COUNTY harmless from and against any and all liability arising out of and related to  
17 SUBRECIPIENT's failure to comply with any and all applicable prevailing wage requirements.  
18 The indemnification obligations set forth herein shall survive the termination and expiration of  
19 this Agreement

20 11. ENVIRONMENTAL CLEARANCES. SUBRECIPIENT shall be responsible for  
21 obtaining any and all approvals, subsequent approvals, permits, environmental clearances in  
22 connection with any project funded with the Riverside County Contribution to the CVC Fund,  
23 in compliance with the California Environmental Quality Act, and including but not limited to,  
24 any and all applicable federal and state environmental laws and regulations.

25 12. HOLD HARMLESS AND INDEMNIFICATION. SUBRECIPIENT shall  
26 indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts  
27 and Departments, their respective directors, officers, Board of Supervisors, elected and

1 appointed officials, employees, agents and representatives from any liability whatsoever, based  
2 or asserted upon any services of SUBRECIPIENT, its officers, employees, subcontractors,  
3 agents or representatives arising out of or in any way relating to this Agreement, including but  
4 not limited to property damage, bodily injury, or death or any other element of any kind or nature  
5 whatsoever arising from the performance of SUBRECIPIENT, its officers, agents, employees,  
6 subcontractors, or representatives from this Agreement. SUBRECIPIENT shall defend, at its  
7 sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation,  
8 defense and settlements or awards, the Indemnitees in any claim or action based upon such  
9 alleged acts or omissions.

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

16 SUBRECIPIENT'S obligation hereunder shall be satisfied when SUBRECIPIENT has  
17 provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability  
18 for the action or claim involved.

19 The specified insurance limits required in this Agreement shall in no way limit or  
20 circumscribe SUBRECIPIENT'S obligations to indemnify and hold harmless the COUNTY  
21 herein from third party claims. The hold harmless and indemnification obligations set forth  
22 herein shall survive the termination and expiration of this Agreement.

23 13. INSURANCE. Without limiting or diminishing the SUBRECIPIENT'S obligation  
24 to indemnify or hold the COUNTY harmless, SUBRECIPIENT shall procure and maintain or  
25 cause to be maintained, at its sole cost and expense, the following insurance coverage's during  
26 the term of this Agreement.

27 a. Workers' Compensation:

1 If the SUBRECIPIENT has employees as defined by the State of California, the  
2 SUBRECIPIENT shall maintain statutory Workers' Compensation Insurance (Coverage A) as  
3 prescribed by the laws of the State of California. Policy shall include Employers' Liability  
4 (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person  
5 per accident. The policy shall be endorsed to waive subrogation in favor of the County of  
6 Riverside.

7 b. Commercial General Liability:

8 Commercial General Liability insurance coverage, including but not limited to,  
9 premises liability, contractual liability, products and completed operations liability, personal and  
10 advertising injury, and cross liability coverage, covering claims which may arise from or out of  
11 SUBRECIPIENT'S performance of its obligations hereunder. Policy shall name the County of  
12 Riverside as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per  
13 occurrence combined single limit. If such insurance contains a general aggregate limit, it shall  
14 apply separately to this agreement or be no less than two (2) times the occurrence limit.

15 c. Vehicle Liability:

16 If vehicles or mobile equipment are used in the performance of the obligations under this  
17 Agreement, then SUBRECIPIENT shall maintain liability insurance for all owned, non-owned  
18 or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single  
19 limit. If such insurance contains a general aggregate limit, it shall apply separately to this  
20 agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of  
21 Riverside as Additional Insured.

22 d. General Insurance Provisions - All lines:

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

1           (ii). The SUBRECIPIENT'S insurance carrier(s) must declare its insurance self-  
2 insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such  
3 retentions shall have the prior written consent of the County Risk Manager before the  
4 commencement of operations under this Agreement. Upon notification of self-insured retention  
5 unacceptable to the COUNTY, and at the election of the Country's Risk Manager,  
6 SUBRECIPIENT'S carriers shall either; 1) reduce or eliminate such self-insured retention as  
7 respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of  
8 losses and related investigations, claims administration, and defense costs and expenses.

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

1 (iv). It is understood and agreed to by the parties hereto that the  
2 SUBRECIPIENT'S insurance shall be construed as primary insurance, and the COUNTY'S  
3 insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not  
4 be construed as contributory.

5 (v). If, during the term of this Agreement or any extension thereof, there is a  
6 material change in the scope of services; or, there is a material change in the equipment to be  
7 used in the performance of the scope of or, the term of this Agreement, including any extensions  
8 thereof, exceeds three (3) years, the COUNTY reserves the right to adjust the types of insurance  
9 required under this Agreement and the monetary limits of liability for the insurance coverage's  
10 currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or  
11 type of insurance carried by the SUBRECIPIENT has become inadequate.

12 (vi). SUBRECIPIENT shall pass down the insurance obligations contained  
13 herein to all tiers of subcontractors working under this Agreement.

14 (vii). The insurance requirements contained in this Agreement may be met with  
15 a program(s) of self-insurance acceptable to the COUNTY.

16 (viii). SUBRECIPIENT agrees to notify COUNTY of any claim by a third party  
17 or any incident or event that may give rise to a claim arising from the performance of this  
18 Agreement.

19 14. FEDERAL REQUIREMENTS. SUBRECIPIENT shall comply with the applicable  
20 regulations found in the Uniform Administrative Requirements, Cost Principles, and Audit  
21 Requirements for Federal Awards (2 CFR Part 200), the Act, the Final Rule and 31 CFR Part 35  
22 (defined above as the "ARPA Rules"). SUBRECIPIENT shall pass down all applicable  
23 regulations found in the ARPA Rules and 2 CFR Part 200 to all tiers of subcontractors,  
24 consultants, and subconsultants working under this Agreement.

25 15. PROGRAM INCOME. COUNTY may approve, at its sole and discretion, any  
26 request from SUBRECIPIENT to retain program income pursuant to 2 CFR Section 200.307.

27 16. INDEPENDENT CAPACITY. The SUBRECIPIENT is, for purposes relating to

1 this Agreement, an independent contractor and shall not be deemed an employee, officer, or  
2 agent of the COUNTY. It is expressly understood and agreed that the SUBRECIPIENT  
3 (including its employees, agents and subcontractor's) shall in no event be entitled to any benefits  
4 to which the COUNTY employees are entitled, including but not limited to overtime, any  
5 retirement benefits, worker's compensation benefits, and injury leave or other leave benefits.  
6 There shall be no employer-employee relationship between the parties; and the SUBRECIPIENT  
7 shall hold the COUNTY harmless from any and all claims that may be made against the  
8 COUNTY based upon any contention by a third party that an employer-employee relationship  
9 exists by reason of this Agreement. It is further understood and agreed by the Parties that the  
10 SUBRECIPIENT in the performance of this Agreement is subject to the control or direction of  
11 the COUNTY merely as to the results to be accomplished and not as to the means and methods  
12 for accomplishing the results.

13 17. NONDISCRIMINATION. SUBRECIPIENT agrees to abide by and include in any  
14 subcontracts, subgrants, contracts, loans, or cooperative agreements to perform work under this  
15 Agreement, the following clause:

16 "During the performance of this Agreement SUBRECIPIENT and its subcontractors shall  
17 not unlawfully discriminate against any employee or applicant for employment because of  
18 race, religion, color, national origin, ancestry, physical disability, medical condition,  
19 marital status, age (over 40) or sex. SUBRECIPIENT and subcontractors shall insure that  
20 the evaluation and treatment of their employees and applicants for employment are free of  
21 such discrimination. SUBRECIPIENT and subcontractors shall comply with the  
22 provisions of the Fair Employment and Housing Act (California Government Code Section  
23 12900 et seq.). The applicable regulations of the Fair Employment and Housing  
24 Commission implementing California Government Code Section 12990 et seq., set forth  
25 in Chapter 1 of Division 4.1 of Title 2 of the California Administrative Code are  
26 incorporated into this Agreement by reference and made a part hereof as if set forth in full.  
27 SUBRECIPIENT and its subcontractors shall give written notice of their obligations under



1 this clause to labor organizations with which they have a collective bargaining or other  
2 agreement."

3 18. PROHIBITION AGAINST CONFLICTS OF INTEREST.

4 a. SUBRECIPIENT and its assigns, employees, officers, agents, consultants,  
5 officers, subcontractors and appointed officials shall become familiar with and shall comply with  
6 the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal  
7 Awards (2 CFR Part 200).

8 b. The Subrecipient shall maintain a written code or standards of conduct that  
9 shall govern the performance of its officers, employees or agents engaged in the award and  
10 administration of contracts supported by Federal funds.

11 c. No employee, officer or agent of the Subrecipient shall participate in the  
12 selection, or in the award, or administration of, a contract supported by Federal funds if a conflict  
13 of interest, real or apparent, would be involved.

14 d. No covered persons who exercise or have exercised any functions or  
15 responsibilities with respect to Riverside County Contribution to the CVC Fund assisted  
16 activities, or who are in a position to participate in a decision-making process or gain inside  
17 information with regard to such activities, may obtain a financial interest in any contract, or have  
18 a financial interest in any contract, subcontract, or agreement with respect to activities assisted  
19 with the Riverside County Contribution to the CVC Fund funding, or with respect to the proceeds  
20 from activities assisted with Riverside County Contribution to the CVC Fund funding, either for  
21 themselves or those with whom they have business or immediate family ties, during their tenure  
22 or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person"  
23 includes any person who is an employee, agent, consultant, officer, or elected or appointed  
24 official of the Grantee, the Subrecipient, or any designated public agency.

25 e. SUBRECIPIENT understands and agrees that no waiver or exception can  
26 be granted to the prohibition against conflict of interest except upon written approval of  
27 COUNTY.

1 f. Prior to any funding under this Agreement, SUBRECIPIENT shall provide  
2 COUNTY with a list of all employees, agents, consultants, officers and elected and appointed  
3 officials who are in a position to participate in a decision-making process, exercise any functions  
4 or responsibilities, or gain inside information with respect to the Riverside County Contribution  
5 to the CVC Fund activities funded under this Agreement. SUBRECIPIENT shall also promptly  
6 disclose to COUNTY any potential conflict, including even the appearance of conflict, that may  
7 arise with respect to the Riverside County Contribution to the CVC Fund activities funded under  
8 this Agreement.

9 g. Any violation of this section shall be deemed a material breach of this  
10 Agreement, and the Agreement shall be immediately terminated by the COUNTY.

11 19. LOBBYING. The SUBRECIPIENT certifies to the best of its knowledge and  
12 belief, that:

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

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

26 c. The undersigned shall require that the language of this certification be  
27 included in the award documents for all subawards at all tiers (including subcontracts, subgrants,

1 and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall  
2 certify and disclose accordingly. This certification is a material representation of fact upon which  
3 reliance was placed when this transaction was made or entered into.

4 20. TERMINATION.

5 a. SUBRECIPIENT. SUBRECIPIENT may not terminate this Agreement  
6 except upon express written consent of COUNTY, pursuant to 2 CFR Section 200.339 (a)(4).

7 b. COUNTY. Notwithstanding the provisions of Paragraph 20a, COUNTY  
8 may suspend or terminate this Agreement upon written notice to SUBRECIPIENT of the action  
9 being taken and the reason for such actions including but not limited to the following reasons:

10 (1) In the event SUBRECIPIENT fails to perform the covenants herein  
11 contained at such times and in such manner as provided in this Agreement; or

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

15 (3) In the event the Treasury Department's SLFRF funding is  
16 terminated or otherwise becomes unavailable.

17 (4) If by September 24, 2024, SUBRECIPIENT does not expend the  
18 Riverside County Contribution to the CVC Fund for each project as an Eligible Use as defined  
19 under the ARPA Rules within the COUNTY's sole and absolute determination, this Agreement  
20 shall self-terminate and any SLFRF funds drawn shall be returned within thirty (30) calendar  
21 days. Upon such termination, this Agreement shall become null and void, except for the  
22 provisions that survive the termination if this Agreement.

23 c. This Agreement may be terminated and/or funding suspended, in whole or  
24 in part, for cause in accordance with the Uniform Administrative Requirements, Cost Principles,  
25 and Audit Requirements for Federal Awards (2 CFR Section 200.339). Cause shall be based on  
26 the failure of the SUBRECIPIENT to materially comply with either the terms or conditions of  
27 this Agreement. Upon suspension of funding, the SUBRECIPIENT agrees not to incur any costs

1 related thereto, or connected with, any area of conflict from which the COUNTY has determined  
2 that suspension of funds is necessary.

3 d. Upon expiration of this Agreement, the SUBRECIPIENT shall transfer to  
4 the COUNTY any Riverside County Contribution to the CVC Fund on hand at the time of  
5 expiration of the Agreement as well as any accounts receivable held by SUBRECIPIENT which  
6 are attributable to the use of Riverside County Contribution to the CVC Fund funds awarded  
7 pursuant to this Agreement.

8 21. PUBLICITY. Any publicity generated by SUBRECIPIENT for the project funded  
9 pursuant to this Agreement, during the term of this Agreement, will make reference to the  
10 Riverside County Contribution to the CVC Fund.

11 22. PROGRAM MONITORING AND EVALUATION. SUBRECIPIENT shall be  
12 monitored and evaluated in terms of its effectiveness and timely compliance with the provisions  
13 of this Agreement and the effective and efficient achievement of the goals of the Riverside County  
14 Contribution to the CVC Fund, as set forth in Exhibit A, and in compliance with the ARPA Rules.  
15 SUBRECIPIENT shall be monitored and evaluated in terms of its effectiveness and timely  
16 compliance with the provisions of this Agreement and ARPA Rules. Monthly reports shall be due  
17 on the twentieth (20<sup>th</sup>) day of each third month. The quarterly written reports shall include, but  
18 shall not be limited to, the following data elements:

19 a. Title of program, listing of components, description of activities/operations.  
20 The description shall include a statement on how each project funded under the CVC Fund is an  
21 Eligible Use that meets the requirements of the ARPA Rules.

22 b. The projected cost of the loan through maturity, projected goals, indicated  
23 numerically, and also the goals achieved (for each report period). In addition, identify by  
24 percentage and description, the progress achieved towards meeting the specified goals;  
25 additionally, identify any problems encountered in meeting goals.

26 c. The total number of affordable housing units that are assisted with the  
27 SLFRF;

- 1 d. Total number of affordable housing units spurred;
- 2 e. The location of affordable housing units supported or spurred by city or  
3 unincorporated community;
- 4 f. Where the projects are in the development process;
- 5 g. Anticipated construction start date; and
- 6 h. Funding received to date from all sources.

7 23. ENTIRE AGREEMENT. This Agreement, including any attachments or exhibits  
8 hereto constitutes the entire Agreement of the parties with respect to its subject matter and  
9 supersedes all prior and contemporaneous representations, proposals, discussions and  
10 communications, whether oral or in writing. No oral understanding or agreement not  
11 incorporated herein shall be binding on any of the parties hereto. Each of the attachments and  
12 exhibits attached hereto is incorporated herein by this reference.

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

16 25. MINISTERIAL ACTS. The Director of the COUNTY's Department of Housing,  
17 Homelessness Prevention, and Workforce Solutions or designee(s) are authorized to take such  
18 ministerial actions as may be necessary or appropriate to implement the terms, provisions, and  
19 conditions of this Agreement as it may be amended from time to time by COUNTY.

20 26. SOURCE OF FUNDING. SUBRECIPIENT acknowledges that the source of  
21 funding pursuant to this Agreement is the American Rescue Plan Act of 2021 (CFDA 21.023).

22 27. ASSIGNMENT. The SUBRECIPIENT shall not make any assignment or transfer  
23 in any other form with respect to this Agreement, without prior written approval of the  
24 COUNTY.

25 28. INTERPRETATION AND GOVERNING LAW. This Agreement and any dispute  
26 arising hereunder shall be governed by and interpreted in accordance with the laws of the State  
27 of California. This Agreement shall be construed as a whole according to its fair language and

1 common meaning to achieve the objectives and purposes of the parties hereto, and the rule of  
2 construction to the effect that ambiguities are to be resolved against the drafting party shall not  
3 be employed in interpreting this Agreement, all parties having been represented by counsel in  
4 the negotiation and preparation hereof.

5 29. WAIVER. Failure by a party to insist upon the strict performance of any of the  
6 provisions of this Agreement by the other party, or the failure by a party to exercise its rights  
7 upon the default of the other party, shall not constitute a waiver of such party's right to insist and  
8 demand strict compliance by the other party with the terms of this Agreement thereafter.

9 30. JURISDICTION AND VENUE. Any action at law or in equity arising under this  
10 Agreement or brought by a party hereto for the purpose of enforcing, construing or determining  
11 the validity of any provision of this Agreement shall be filed only in the Superior Court of the  
12 State of California, located in Riverside, California, and the parties hereto waive all provisions  
13 of law providing for the filing, removal or change of venue to any other court or jurisdiction.

14 31. AUTHORITY TO EXECUTE. The persons executing this Agreement or exhibits  
15 attached hereto on behalf of the parties to this Agreement hereby warrant and represent that they  
16 have the authority to execute this Agreement and warrant and represent that they have the  
17 authority to bind the respective parties to this Agreement to the performance of its obligations  
18 hereunder.

19 32. EFFECTIVE DATE. The effective date of this Agreement is the date the parties  
20 sign the Agreement (the "Effective Date"). If the parties sign the Agreement on more than one  
21 date, then the last date the Agreement is signed by a party shall be the Effective Date.

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

25 34. FORCE MAJEURE.

26 a. Performance by either party hereunder shall not be deemed to be in default where  
27 delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires,

1 casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight  
2 embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually  
3 severe weather, inability to secure necessary labor, material or tools, delays of any contractor,  
4 sub-contractor or supplier, acts of the other party, acts or failure to act of a public or  
5 governmental agency or entity, or any causes beyond the control or without the fault of the party  
6 claiming an extension of time to perform.

7 b. An extension of time for any such cause (a "Force Majeure Delay") shall be for  
8 the period of the enforced delay and shall commence to run from the time of the commencement  
9 of the cause, if notice by the party claiming such extension is sent to the other party within thirty  
10 (30) calendar days of knowledge of the commencement of the cause. Notwithstanding the  
11 foregoing, none of the foregoing events shall constitute a Force Majeure Delay unless and until  
12 the party claiming such delay and interference delivers to the other party written notice  
13 describing the event, its cause, when and how such party obtained knowledge, the date the event  
14 commenced, and the estimated delay resulting therefrom. Any party claiming a Force Majeure  
15 Delay shall deliver such written notice within thirty (30) calendar days after it obtains  
16 knowledge of the event.

17 35. BINDING ON SUCCESSORS. SUBRECIPIENT, its heirs, assigns and  
18 successors in interest, shall be bound by all the provisions contained in this Agreement, and all  
19 of the parties thereto shall be jointly and severally liable hereunder.

20 36. MODIFICATION OF AGREEMENT. This Agreement may be modified or  
21 amended only by a writing signed by the duly authorized and empowered representatives of  
22 COUNTY and SUBRECIPIENT, respectively.

1 IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set  
2 forth below.

3 COUNTY OF RIVERSIDE,  
4 a political subdivision of the  
5 State of California

LIFT TO RISE,  
a California public benefit corporation

6 BY: \_\_\_\_\_

BY: \_\_\_\_\_


7 Name: Heidi Marshall  
8 Title: Director HWS

Name: Heather Vaikona  
Title: President & CEO

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

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

11 APPROVED AS TO FORM:  
12 County Counsel

13  
14 By:  \_\_\_\_\_  
15 Amrit P. Dhillon,  
Deputy County Counsel

16  
17 **FORM**  
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**EXHIBIT A**

**RIVERSIDE COUNTY CONTRIBUTION  
TO THE COACHELLA VALLEY CATALYST FUND  
SUBRECIPIENT'S AGREEMENT SCOPE OF WORK**

**I. GENERAL INFORMATION****SUBRECIPIENT NAME:** Lift to Rise**DUNS #:**04-838-7269**ADDRESS:** 73-710 Fred Waring Drive, Suite 100

Palm Desert, CA 92260

**PROGRAM CONTACTS:** Heather Vaikona, President & CEO**PHONE:** (760) 349-8013**FAX:****E-MAIL:** [heather@lifttorise.org](mailto:heather@lifttorise.org)**PROJECT NAME:** Riverside County Contribution to the Coachella Valley Catalyst (CVC) Fund**PROJECT LOCATION:** San Gorgonio Pass and Eastern Desert Region**PROJECT FUNDING SUMMARY:** \$ 2,000,000**II. SCOPE OF SERVICE****A. Activities**

Subrecipient has executed a Subrecipient's Agreement for the Use of Riverside County American Rescue Plan Act (ARPA) Funding for the Coachella Valley Catalyst Fund (the "Agreement"). Subrecipient shall use by September 30, 2024 the \$2,000,000 grant of Coronavirus State and Local Fiscal Recover Funds ("SLFRF") to create a revolving loan fund for the pre-development, acquisition and/or development of at least three hundred (300) affordable housing units within the Coachella Valley with potential housing units located in Coachella (54), Thermal (100), Indian Wells (100), and Palm Desert (120), and to attract investment and spur further development. Additionally, the units funded by the SLFRF shall be set aside for households making 80% or less of Area Median Income for the County of Riverside. Each of the projects funded with the SLFRF shall be evidenced by a regulatory agreement or affordability covenant with a term of fifty-five (55) years recorded in the Official Records of the County of Riverside that substantially conforms to the Covenant Agreement attached as Exhibit B behind this exhibit.

The projects funded utilizing the SLFRF shall be used only for Eligible Uses under ARPA Rules to cover "cost incurred" by the Subrecipient between March 3, 2021 and September 24, 2024. Subrecipient shall demonstrate to the County, in the County's sole and absolute discretion, that any amount expended under the SLFRF for each project is deemed fully expending, in compliance with the ARPA Rules that relate to loans. The definition of "ARPA Rules" shall have the same meaning as set forth in the Agreement.

**EXHIBIT A****B. Levels of Accomplishment – Goals and Performance Measures**

Subrecipient anticipates supporting and spurring the development of at least 300 affordable housing units in accordance with the following performance schedule and as described above in Section A:

	Q1 (ends 3/31)	Q2 (ends 6/30)	Q3 (ends 9/30)	Q4 (ends 12/31)
2022	N/A	0	0	0
2023	0	50	50	50
2024	50	50	50	N/A

**C. Subrecipient Capacity**

By executing this Agreement, the Subrecipient certifies that it has the appropriate number of trained and knowledgeable staff, adequate facilities, proper equipment, required licensing and permitting, and sufficient amount of financial resources necessary to implement and carry out the activities funded with the SLFRF. Subrecipient shall immediately notify County of any significant changes in organizational management, assigned staff, change in facilities, loss or change in matching funds, or any other event that could potentially impact Subrecipient's performance under this Agreement. Any changes in the above items are subject to the prior approval of the County.

**D. Performance Monitoring**

The County of Riverside will monitor the performance of the Subrecipient against goals and performance standards as stated above and in the Agreement. Substandard performance as determined by the County shall constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.

**E. Program Budget**

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed **\$2,000,000**. Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200).

The County may require more detailed budget information, and Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the County. Any amendments to the budget must be approved in writing by County.

<b>EXPENSE CATEGORY</b>	<b>BUDGET</b>
Riverside County Contribution to the CVC Fund	\$ <u>2,000,000</u>
<b>TOTAL BUDGET</b>	<b>\$ <u>2,000,000</u></b>

**EXHIBIT A**

**The County will provide Subrecipient a one-time lump sum payment grant that will be used for all eligible expenses incurred on or after March 3, 2021.**

**III. ADMINISTRATIVE REQUIREMENTS****A. Accounting Standards**

The Subrecipient agrees to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200), and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

**B. Cost Principles**

The Subrecipient shall administer its program in conformance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200). These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

**C. Documentation and Record Keeping****1. Records to be Maintained**

The Subrecipient shall maintain all records that are pertinent to the activities to be funded under this Agreement as set forth in this Exhibit A and in the Agreement. Such records shall include, but not be limited to:

- i. Projected cost of any loans through maturity made to affordable housing projects utilizing the SLFRF;
- ii. Records providing a full description of each activity undertaken and how that activity is an Eligible Use under ARPA Rules;
- iii. Records demonstrating that each activity undertaken complies with the guidelines of the U.S. Treasury America Rescue Plan Act program and ARPA Rules; and
- iv. Financial records as required by 2 CFR 200.

**2. Records Retention**

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

**3. Reserved.****4. Close-outs**

The Subrecipient's obligation to the County shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the County), and determining the custodianship of

**EXHIBIT A**

records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over the SLFRF, including program income.

5. **Audits & Inspections**

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the County, the Controller General of the United States, or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within thirty (30) days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits, the Single Audit Act, and the Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

# **EXHIBIT B**

Form of Covenant Agreement

1 NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE SECTION 6103

2 Order No.  
3 Escrow No.  
4 Loan No.

5 RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

6 County of Riverside  
7 Housing and Workforce Solutions  
8 3403 10<sup>th</sup> Street, Suite 300  
Riverside, CA 92501  
Attn. XXXXX

SPACE ABOVE THIS LINE FOR RECORDERS USE

9  
10 **COVENANT AGREEMENT**

11 This Covenant Agreement (this "Covenant") is made and entered into as of the \_\_\_\_ day  
12 of \_\_\_\_\_, 202\_\_ by and between the COUNTY OF RIVERSIDE, a  
13 political subdivision of the State of California ("COUNTY"), and LIFT TO RISE, a California  
14 public benefit corporation ("OWNER").

15 **RECITALS**

16 WHEREAS, OWNER owns that certain real property located at \_\_\_\_\_  
17 in the County of Riverside, also identified as APN \_\_\_\_\_ more specifically described  
18 in the legal description attached hereto as **Exhibit A** and incorporated herein by this reference (the  
19 "Property"); and

20 WHEREAS, <additional Recitals if Lift to Rise is not the OWNER of the Property or  
21 developer of the Project>

22 WHEREAS, on \_\_\_\_\_, 2022 COUNTY and OWNER entered into that certain  
23 Subrecipient's Agreement for the Use of County of Riverside American Rescue Plan Act (ARPA)  
24 Funding for the Coachella Valley Catalyst Fund dated \_\_\_\_\_, 2022 (the  
25 "Subrecipient's Agreement" or "Agreement") which provides grant funding for the creation of a  
26 revolving loan fund to respond to the COVID-19 public health emergency and its negative

1 economic impacts for the purpose of assisting low-income households and individuals  
2 disproportionately impacted by the COVID-19 pandemic through the development, repair and  
3 operation of affordable housing and services or programs to increase long-term housing security;  
4 and

5 WHEREAS, the \_\_\_\_\_ will offer \_\_\_\_\_ (XX) units  
6 restricted as (“ARPA-Assisted Units”) for occupancy by \_\_\_\_\_ whose  
7 incomes are at or below 80% of the area median income for the County of Riverside (collectively,  
8 the “Project”). <additional Project details>; and

9 WHEREAS, COUNTY is providing funding under the U.S. Department of the Treasury  
10 (“Treasury Department”) Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) under  
11 the American Rescue Plan Act of 2021 ( Pub. L. 117-2) amending Title VI of the Social Security  
12 Act (42 U.S.C. 801 et seq.) herein after “ARPA,” for the purposes of providing decent, safe, and  
13 sanitary transitional housing to homeless individuals or individuals at risk of homelessness; and

14 WHEREAS, ARPA states that the SLFRF may be used “to respond to the public health  
15 emergency with respect to COVID-19 of its negative economic impacts, including assistance to  
16 households, small businesses and nonprofits”; and

17 WHEREAS, pursuant to 31 CFR Part 35(b)(3)(ii)(A)(5), one of the Eligible Uses (as  
18 defined under ARPA) of the SLFRF is to respond to the public health emergency or its negative  
19 economic impacts for the purpose of assisting low-income households and individuals  
20 disproportionately impacted by the COVID-19 pandemic through the development, repair and  
21 operation of affordable housing and services or programs to increase long-term housing security;  
22 and

23 WHEREAS, pursuant to the ARPA Loan Agreement, COUNTY granted to OWNER  
24 \$2,000,000.00 derived from the SLFRF (“ARPA Loan”) as more fully described in the  
25 Subrecipient’s Agreement, to pay for a portion of the development expenses of the Project; and  
26

1           WHEREAS, pursuant to the Subrecipient's Agreement, OWNER has agreed to develop  
2 the Project on the Property and ensure the ARPA-Assisted Units are occupied by Qualified  
3 Individuals consistent with the ARPA Act, the Final Rule, and 31 CFR Part 35 and as set forth  
4 more specifically below; and

5           WHEREAS, the Project is an Eligible Use of the SLFRF because <add Eligible Use>;

6           NOW, THEREFORE, in consideration of the mutual covenants and agreements, and for  
7 other good and valuable consideration, the receipt and sufficiency of which are hereby  
8 acknowledged, OWNER, on behalf of itself and its successors, assigns, and each successor in  
9 interest to the Property or any part thereof, hereby declares as follows:

10           1)     RESTRICTIONS. The recitals set forth above are true and correct and incorporated  
11 herein. This Covenant shall continue in full force and effect for the later of (i) fifty-five (55) years  
12 from the recordation of the Covenant for the last building for which construction is completed for  
13 the Project on the Property, or (ii) July 1, 2077 ("Term" or "Affordability Period"). For the duration  
14 of the Term, the Property shall be held, sold and conveyed, subject to the following covenants,  
15 conditions, and restrictions:

16                   a)     The ARPA-Assisted Units shall be made available only to incomes are at or  
17 below 80% of the area median income for the County of Riverside, at the time of initial occupancy  
18 as set forth above. Rent for the ARPA-Assisted Units including utilities shall not exceed 30% of  
19 the household income.

20                   b)     OWNER shall comply with the terms of the ARPA Rules (as defined in the  
21 Subrecipient's Agreement), Subrecipient's Agreement, and any other instrument secured against  
22 the Property.

23           2)     SENIOR PRIORITY. Notwithstanding anything to the contrary contained in the  
24 Subrecipient's Agreement, including any of its attachments, this Covenant shall be in a \_\_\_\_\_  
25 priority lien position and senior to all other security instruments.

26           3)     COMPLIANCE WITH LAWS AND REGULATIONS. During the Term of this



1 Covenant, OWNER, for itself and on behalf of its successors and assigns, shall adhere to and  
2 comply with all federal, state and local laws, regulations and ordinances, including, but not limited  
3 to the following:

4 a) ARPA, the SLFRF, the Final Rule, as amended from time to time, and 31  
5 CFR Part 35 (“ARPA Rules”) and applicable provisions of 2 CFR Part 200;

6 b) Other Federal requirements and nondiscrimination. OWNER is required to  
7 follow the nondiscrimination and equal opportunity under Section 282 of the Act; disclosure;  
8 debarred, suspended, or ineligible contractors; and drug-free workplace.

9 c) Affirmative marketing and minority outreach program. OWNER must  
10 adopt affirmative marketing procedures and requirements. These must include:

11 i) Methods for informing the public, owners, and potential tenants about  
12 Federal fair housing laws and the affirmative marketing policy (e.g., the use of the Equal Housing  
13 Opportunity logotype or slogan in press releases and solicitations for owners, and written  
14 communication to fair housing and other groups).

15 ii) Requirements and practices that OWNER must adhere to in order to  
16 carry out the affirmative marketing procedures and requirements (e.g., use of commercial media,  
17 use of community contacts, use of the Equal Housing Opportunity logotype or slogan, and display  
18 of fair housing poster).

19 iii) Procedures to be used by OWNER to inform and solicit applications  
20 from persons in the housing market area who are not likely to apply without special outreach (e.g.,  
21 use of community organizations, employment centers, fair housing groups, or housing counseling  
22 agencies).

23 iv) Records that will be kept describing actions taken by OWNER to  
24 affirmatively market units and records to assess the results of these actions.

25 v) A description of how OWNER will annually assess the success of  
26 affirmative marketing actions and what corrective actions will be taken where affirmative

1 marketing requirements are not met.

2 4) OWNER must prescribe procedures to establish and oversee a minority outreach  
3 program to ensure the inclusion, to the maximum extent possible, of minorities and women, and  
4 entities owned by minorities and women, including, without limitation, real estate firms,  
5 construction firms, appraisal firms, management firms, financial institutions, investment banking  
6 firms, underwriters, accountants, and providers of legal services, in all contracts entered into by  
7 OWNER with such persons or entities, public and private, in order to facilitate the activities of  
8 COUNTY to provide affordable housing authorized under this Act or any other Federal housing  
9 law.

10 5) MAINTENANCE OF THE IMPROVEMENTS. OWNER, on behalf of itself and  
11 its successors, assigns, and each successor in interest to the Property and Project or any part thereof  
12 hereby covenants to and shall protect, maintain, and preserve the Property in compliance with all  
13 applicable federal and state law and regulations and local ordinances. In addition, OWNER, its  
14 successors and assigns, shall maintain the improvements on the Property in the same aesthetic and  
15 sound condition (or better) as the condition of the Property at the time of the recordation of the  
16 Covenant for the Project, reasonable wear and tear excepted. This standard for the quality of  
17 maintenance of the Property shall be met whether or not a specific item of maintenance is listed  
18 below. However, representative items of maintenance shall include frequent and regular inspection  
19 for graffiti or damage or deterioration or failure, and immediate repainting or repair or replacement  
20 of all surfaces, fencing, walls, equipment, etc., as necessary; emptying of trash receptacles and  
21 removal of litter; sweeping of public sidewalks adjacent to the Property, on-site walks and paved  
22 areas and washing-down as necessary to maintain clean surfaces; maintenance of all landscaping  
23 in a healthy and attractive condition, including trimming, fertilizing and replacing vegetation as  
24 necessary; cleaning windows on a regular basis; painting the buildings on a regular program and  
25 prior to the deterioration of the painted surfaces; conducting a roof inspection on a regular basis  
26 and maintaining the roof in a leak-free and weather-tight condition; maintaining security devices

1 in good working order. In the event OWNER, its successors or assigns fails to maintain the  
2 Property in accordance with the standard for the quality of maintenance, COUNTY or its designee  
3 shall have the right but not the obligation to enter the Property upon reasonable notice to OWNER,  
4 correct any violation, and hold OWNER, or such successors or assigns responsible for the cost  
5 thereof, and such cost, until paid, shall constitute a lien on the Property.

6       6)       NONDISCRIMINATION. OWNER shall not discriminate on the basis of race,  
7 gender, religion, national origin, ethnicity, sexual orientation, age or disability in the solicitation,  
8 selection, hiring or treatment of any contractors or consultants, to participate in  
9 subcontracting/subconsulting opportunities. OWNER understands and agrees that violation of this  
10 clause shall be considered a material breach of this Covenant and may result in termination,  
11 debarment or other sanctions. This language shall be incorporated into all contracts between  
12 OWNER and any contractor, consultant, subcontractor, subconsultants, vendors and suppliers.  
13 OWNER shall comply with the provisions of the California Fair Employment and Housing Act  
14 (Government Code Sections 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352), as  
15 amended, and all Administrative Rules and Regulations issued pursuant to said Acts and Orders  
16 with respect to its use of the Property.

17       7)       OWNER herein covenants by and for itself, its successors and assigns, and all  
18 persons claiming under or through them, that this Covenant is made and accepted upon and subject  
19 to the following conditions: There shall be no discrimination against or segregation of any person  
20 or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the  
21 Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and  
22 paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code,  
23 in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall  
24 the transferee itself or any person claiming under or through him or her, establish or permit any  
25 such practice or practices of discrimination or segregation with reference to the selection, location,  
26 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property.

1           8)     OWNER, its successors and assigns, shall refrain from restricting the rental, sale,  
2 or lease of the Property or any portion thereof, on the basis of race, color, creed, religion, sex,  
3 sexual orientation, marital status, national origin, or ancestry of any person. Every deed, lease, and  
4 contract entered into with respect to the Property, or any portion thereof, after the date of this  
5 Covenant shall contain or be subject to substantially the following nondiscrimination or  
6 nonsegregation clauses:

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

18                   b) In leases: "The lessee herein covenants by and for himself or herself, his or her  
19 heirs, executors, administrators, and assigns, and all persons claiming under or through him or her,  
20 and this lease is made and accepted upon and subject to the following conditions: That there shall  
21 be no discrimination against or segregation of any person or group of persons, on account of any  
22 basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are  
23 defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of  
24 Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing,  
25 transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee  
26 himself or herself, or any person claiming under or through him or her, establish or permit any

1 such practice or practices of discrimination or segregation with reference to the selection, location,  
2 number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises  
3 herein leased.”

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

13 In addition to the obligations and duties of OWNER set forth herein, OWNER shall,  
14 upon notice from COUNTY, promptly pay to COUNTY all fees and costs, including  
15 administrative and attorneys’ fees, incurred by COUNTY in connection with responding to or  
16 defending any discrimination claim brought by any third party and/or local, state or federal  
17 government entity, arising out of or in connection with the Subrecipient’s Agreement or this  
18 Covenant.

19 9) INSURANCE. Without limiting or diminishing OWNER’s obligation to indemnify  
20 or hold COUNTY harmless, OWNER shall procure and maintain or cause to be maintained, at its  
21 sole cost and expense, the following insurance coverage’s during the term of this Covenant.

22 a) Worker’s Compensation Insurance. If OWNER has employees as defined  
23 by the State of California, OWNER shall maintain statutory Workers’ Compensation Insurance  
24 (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers’  
25 Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per  
26 person per accident. The policy shall be endorsed to waive subrogation in favor of the County of

1 Riverside, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

2           b)     Commercial General Liability Insurance. Commercial General Liability  
3 insurance coverage, including but not limited to, premises liability, contractual liability, products  
4 and completed operations liability, personal and advertising injury, and cross liability coverage,  
5 covering claims which may arise from or out of OWNER's performance of its obligations  
6 hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts,  
7 and Departments, their respective directors, officers, Board of Supervisors, employees, elected or  
8 appointed officials, agents or representatives as Additional Insured. Policy's limit of liability shall  
9 not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a  
10 general aggregate limit, it shall apply separately to this Covenant or be no less than two (2) times  
11 the occurrence limit.

12           c)     Vehicle Liability Insurance. If vehicles or mobile equipment are used in the  
13 performance of the obligations under this Covenant, then OWNER shall maintain liability  
14 insurance for all owned, non-owned or hired vehicles so used in an amount not less than  
15 \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate  
16 limit, it shall apply separately to this Covenant or be no less than two (2) times the occurrence  
17 limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and  
18 Departments, their respective directors, officers, Board of Supervisors, employees, elected or  
19 appointed officials, agents or representatives as Additional Insured or provide similar evidence of  
20 coverage approved by County's Risk Manager ("Risk Manager").

21           d)     General Insurance Provisions – All Lines.

22           (1)     Any insurance carrier providing insurance coverage hereunder shall be  
23 admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8)  
24 unless such requirements are waived, in writing, by Risk Manager. If Risk Manager waives a  
25 requirement for a particular insurer such waiver is only valid for that specific insurer and only for  
26 one policy term.

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

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

19                   (4)     It is understood and agreed to by the parties hereto that OWNER's  
20 insurance shall be construed as primary insurance, and COUNTY's insurance and/or deductibles  
21 and/or self-insured retention's or self-insured programs shall not be construed as contributory.

22                   (5)     If, during the term of this Covenant or any extension thereof, there is a  
23 material change in the scope of services or there is a material change in the equipment to be used  
24 in the performance of the scope of work which will add additional exposures (such as the use of  
25 aircraft, watercraft, cranes, etc.), then COUNTY reserves the right to adjust the types of insurance  
26 required under this Covenant and the monetary limits of liability for the insurance coverage's

1 currently required herein, if; in Risk Manager's reasonable judgment, the amount or type of  
2 insurance carried by OWNER has become inadequate.

3 (6) OWNER shall pass down the insurance obligations contained herein to  
4 all tiers of subcontractors.

5 (7) OWNER agrees to notify COUNTY in writing of any claim by a third  
6 party or any incident or event that may give rise to a claim arising from the performance of the  
7 Covenant.

8 10) HOLD HARMLESS/INDEMNIFICATION. OWNER shall indemnify and hold  
9 harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their  
10 respective directors, officers, Board of Supervisors, elected and appointed officials, employees,  
11 agents and representatives (individually and collectively hereinafter referred to as Indemnitees)  
12 from any liability whatsoever, based or asserted upon any services of OWNER, its officers,  
13 employees, subcontractors, agents or representatives arising out of or in any way relating to this  
14 Covenant, including but not limited to property damage, bodily injury, or death or any other  
15 element of any kind or nature whatsoever arising from the performance of OWNER, its officers,  
16 employees, subcontractors, agents or representatives Indemnitors from this Covenant. OWNER  
17 shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost  
18 of investigation, defense and settlements or awards, the Indemnitees in any claim or action based  
19 upon such alleged acts or omissions. With respect to any action or claim subject to indemnification  
20 herein by OWNER shall, at their sole cost, have the right to use counsel of their own choice and  
21 shall have the right to adjust, settle, or compromise any such action or claim without the prior  
22 consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in  
23 no manner whatsoever limits or circumscribes OWNER's indemnification to Indemnitees as set  
24 forth herein. OWNER's obligation hereunder shall be satisfied when OWNER has provided to  
25 COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action  
26 or claim involved. The specified insurance limits required in this Covenant shall in no way limit



1 or circumscribe OWNER's obligations to indemnify and hold harmless the Indemnitees herein  
2 from third party claims. In the event there is conflict between this clause and California Civil Code  
3 Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation  
4 shall not relieve OWNER from indemnifying the Indemnitees to the fullest extent allowed by law.  
5 The indemnification set forth in this paragraph 14 shall survive the expiration and earlier  
6 termination of this Covenant.

7 11) NOTICES. All Notices provided for in this Covenant shall be deemed received  
8 when personally delivered, or two (2) days following mailing by certified mail, return receipt  
9 requested. All mailing shall be addressed to the respective parties at their addresses set forth  
10 below, or at such other address as each party may designate in writing and give to the other party:

11	<u>COUNTY</u>	<u>OWNER</u>
12	Director HWS	XXXXXX
13	County of Riverside	c/o XXXXX
14	3403 10 <sup>th</sup> Street, Suite 300	XXXXXX
	Riverside, CA 92501	XXXXXX, CA XXXXX

15 12) REMEDIES. COUNTY shall have the right, in the event of any breach of any such  
16 agreement or covenant, to exercise all available rights and remedies, and to maintain any actions  
17 at law or suit in equity or other proper proceedings to enforce the curing of such breach of  
18 agreement or covenant.

19 13) TERM. The non-discrimination covenants, conditions and restrictions contained in  
20 Section 6 of this Covenant shall remain in effect in perpetuity. Every other covenant, condition  
21 and restriction contained in this Covenant shall continue in full force and effect for the Term, as  
22 defined in **Section 1** of this Covenant.

23 14) NOTICE AND OPPORTUNITY TO CURE. Prior to exercising any remedies  
24 hereunder, COUNTY shall give OWNER notice of such default pursuant to section 11 above. Any  
25 monetary default shall be cured within ten (10) days of delivery of written notice. Except as  
26 otherwise set forth herein, if a non-monetary default is reasonably capable of being cured within

1 thirty (30) days of delivery of such notice of default, OWNER shall have such period to effect a  
2 cure prior to exercise of remedies by COUNTY. If the non-monetary default is such that it is not  
3 reasonably capable of being cured within thirty (30) days of delivery of such notice of default, and  
4 OWNER (a) initiates corrective action within said period, and (b) diligently, continually, and in  
5 good faith works to effect a cure as soon as possible, then OWNER shall have such additional time  
6 as is reasonably necessary to cure the default prior to exercise of any remedies by COUNTY; but  
7 in no event no later than sixty (60) days from delivery of such notice of default, subject to force  
8 majeure (including government restrictions, pandemics, and acts of God). COUNTY, upon  
9 providing OWNER with any notice of default under this Covenant, shall, within a reasonable time,  
10 provide a copy of such default notice to a Permitted Lender who has given written notice to  
11 COUNTY of its interest in the Property and Project. From and after such notice has been delivered  
12 to a Permitted Lender and the Owner's limited partner, such Permitted Lender shall have the same  
13 period for remedying the default complained of as the cure period provided to OWNER pursuant  
14 to this Section 14. COUNTY shall accept performance by a Permitted Lender or limited partner  
15 of Owner as if the same had been done by OWNER.

16 15) If a violation of any of the covenants or provisions of this Covenant remains  
17 uncured after the respective time period set forth in this Section 14, COUNTY and its successors  
18 and assigns, without regard to whether COUNTY or its successors and assigns is an owner of any  
19 land or interest therein to which these covenants relate, may institute and prosecute any  
20 proceedings at law or in equity to abate, prevent or enjoin any such violation or attempted violation  
21 or to compel specific performance by OWNER of its obligations hereunder. No delay in enforcing  
22 the provisions hereof as to any breach or violation shall impair, damage or waive the right of any  
23 party entitled to enforce the provisions hereof or to obtain relief against or recover for the  
24 continuation or repetition of such breach or violations or any similar breach or violation hereof at  
25 any later time.

26 16) Any cure tendered by Owner's limited partner shall be accepted or rejected on the

1 same basis as if tendered by OWNER.

2 17) SALE, ASSIGNMENT OR TRANSFER OF THE PROJECT OR PROPERTY.

3 OWNER hereby covenants and agrees not to sell, transfer, assign or otherwise dispose of the  
4 Project, the Property or any portion thereof, without obtaining the prior written consent of  
5 COUNTY, in its sole discretion. Any sale, assignment, or transfer of the Project or Property, shall  
6 be memorialized an assignment and assumption agreement the form and substance of which have  
7 been first approved in writing by COUNTY in its sole discretion. Such assignment and assumption  
8 agreement shall, among other things, provide that the transferee has assumed in writing and in full,  
9 and is reasonably capable of performing and complying with OWNER's duties and obligations  
10 under the Subrecipient's Agreement and this Covenant, provided, however OWNER shall not be  
11 released of all obligations under the Subrecipient's Agreement and this Covenant.

12 18) AMENDMENTS OR MODIFICATIONS. This Covenant may be changed or  
13 modified only by a written amendment signed by authorized representatives of both parties.

14 19) GOVERNING LAW; VENUE; SEVERABILITY. This Covenant shall be  
15 governed by the laws of the State of California. Any legal action related to the performance or  
16 interpretation of this Covenant shall be filed only in the Superior Court of the State of California  
17 located in Riverside, California, and the parties waive any provision of law providing for a change  
18 of venue to another location. In the event any provision in this Covenant is held by a court of  
19 competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will  
20 nevertheless continue in full force without being impaired or invalidated in any way.

21 20) BINDING EFFECT. The rights and obligations of this Covenant shall bind and  
22 inure to the benefit of the respective heirs, successors and assigns of the parties.

23 21) PERMITTED MORTGAGES. No violation or breach of the covenants, conditions,  
24 restrictions, provisions or limitations contained in this Covenant shall defeat or render invalid or  
25 in any way impair the lien or charge of any deed of trust or mortgage permitted by the  
26 Subrecipient's Agreement or the lien or charge of a deed of trust made by OWNER for the benefit

1 of any lender first approved in writing by COUNTY (each, a "Permitted Lender") and nothing  
2 herein or in the Subrecipient's Agreement shall prohibit or otherwise limit the exercise of a  
3 Permitted Lender's rights and remedies thereunder, including a foreclosure or deed-in-lieu of  
4 foreclosure and subsequent transfer thereafter.

5 22) SEVERABILITY. In any event that any provision, whether constituting a separate  
6 paragraph or whether contained in a paragraph with other provisions, is hereafter determined to be  
7 void and unenforceable, it shall be deemed separated and deleted from the agreement and the  
8 remaining provisions of this Covenant shall remain in full force and effect.

9 23) PROJECT MONITORING AND EVALUATION.

10 a) In addition to this Section 23, the Project shall be monitored and evaluated  
11 in conformance with the requirements and procedures as set forth in the ARPA

12 b) Inspections. During the Affordability Period, COUNTY must perform on-  
13 site inspections of ARPA-Assisted Units to determine compliance with the property standards.  
14 The on-site inspections shall occur within twelve (12) months after Covenant Agreement and at  
15 least once every three (3) years thereafter during the Affordability Period. If there are observed  
16 deficiencies for any of the inspectable items in the property standards established by COUNTY,  
17 a follow-up on-site inspection to verify that deficiencies are corrected must occur within twelve  
18 (12) months. COUNTY may establish a list of non-hazardous deficiencies for which correction  
19 can be verified by third party documentation (e.g., paid invoice for work order) rather than re-  
20 inspection. Health and safety deficiencies must be corrected immediately. COUNTY must adopt  
21 a more frequent inspection schedule for properties that have been found to have health and safety  
22 deficiencies. The property owner must annually certify to COUNTY that each building and all  
23 ARPA-Assisted Units in the Project are suitable for occupancy, taking into account State and  
24 local health, safety, and other applicable codes, ordinances, and requirements, and the ongoing  
25 property standards established by the participating jurisdiction. Inspections must be based on a  
26 statistically valid sample of units appropriate for the size of COUNTY ARPA-Assisted project.



IN WITNESS WHEREOF, COUNTY and OWNER have executed this Covenant as of the dates written below.

COUNTY:

OWNER:

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

XXXXXX,  
a California public benefit corporation

By: \_\_\_\_\_  
Heidi Marshall, Director HWS

By: \_\_\_\_\_  
Name: XXXXX  
Title: XXXXX

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

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

**(Above signatures need to be notarized)**

APPROVED AS TO FORM:  
COUNTY COUNSEL

By: \_\_\_\_\_  
Deputy County Counsel

# FORM

**(COUNTY and OWNER signatures need to be notarized)**

**< CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT >**

**EXHIBIT "A"**

LEGAL DESCRIPTION OF PROPERTY