

STANDARD AGREEMENT

STD 213 (Rev. 10/2018)

AGREEMENT NUMBER
18-CALHOME-12172

PURCHASING AUTHORITY NUMBER (if applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

CONTRACTOR'S NAME
County of Nevada

2. The term of this Agreement is:

START DATE
Upon HCD Approval

THROUGH END DATE
09/26/2021

3. The maximum amount of this Agreement is:
\$500,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Authority, Purpose and Scope of Work	3
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	State of California General Terms and Conditions	GTC - 04/2017
Exhibit D	CalHome Program Terms and Conditions	6
Exhibit E	Special Terms and Conditions	1
TOTAL NUMBER OF PAGES ATTACHED		1.1 pages

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at <http://www.dgs.ca.gov/ols/resources/standardcontractlanguage.aspx>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)
County of Nevada

CONTRACTOR BUSINESS ADDRESS 950 Maidu Avenue	CITY Nevada City	STATE CA	ZIP 95959
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PRINTED NAME OF PERSON SIGNING	TITLE
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CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME
Department of Housing and Community Development

CONTRACTING AGENCY ADDRESS 2020 W. El Camino Ave., Suite 130	CITY Sacramento	STATE CA	ZIP 95833
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PRINTED NAME OF PERSON SIGNING Synthia Rhinehart	TITLE Contracts Manager, Business & Contract Services Branch
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CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED
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California Department of General Services Approval (or exemption, if applicable)

EXHIBIT A

AUTHORITY, PURPOSE AND SCOPE OF WORK

1. Authority & Purpose

This Standard Agreement (hereinafter "Agreement") will provide official notification of a Grant award under the General CalHome Program ("Program") administered by the State Department of Housing and Community Development ("Department") as authorized by and pursuant to Chapter 6 of Part 2 of Division 31 of the Health and Safety Code, commencing with Section 50650 (the "CalHome Statutes") and regulations found in Title 25 of the California Code of Regulation, Division 1, Chapter 7, Subchapter 9 commencing with Section 7715 ("CalHome Regulations"), all as amended and in effect from time to time.

- A. In accepting this Grant award, the Contractor agrees to comply with the following:
- 1) CalHome Statutes;
 - 2) CalHome Regulations;
 - 3) Terms and conditions of the CalHome Program Disaster Assistance Funding Round 1 Notice of Funding ("NOFA") dated April 11, 2018, which is incorporated herein by reference;
 - 4) Representations contained in the Contractor's application made in response to the NOFA ("Application"); and,
 - 5) Terms and conditions of this Agreement.
- B. All funds provided through this Agreement are general obligation bond funds, pursuant to the Housing and Emergency Shelter Trust Fund Act of 2006. As such, pursuant to Government Code Section 16727, Contractor shall ensure that expenditures of the proceeds of the Program grant or loan are limited to those costs associated with the rehabilitation or construction of capital assets.

2. Scope of Work

- A. Contractor shall perform the Scope of Work ("Work") as described in the Application, which is on file at the Department of Housing and Community Development, Division of Financial Assistance, 2020 W. El Camino Avenue, Room 650, Sacramento, California 95833 and which is incorporated herein by reference. All written materials or alterations submitted as addenda to the original Application and which are approved in writing by the CalHome Grant Management Manager or higher Departmental official, as appropriate, are hereby incorporated as part of the Application. The Department reserves the right to require the Contractor to modify any or all parts of the Application in order to comply with the CalHome Statutes or Regulations. The Department reserves the right to review and approve all Work to be performed by the Contractor in relation to this Agreement. Any proposed revision to the Work must be submitted in writing for review and approval by the Department and may require an amendment to this Agreement. Approval shall not be presumed unless such approval is made by the Department in writing.

EXHIBIT A

- B. The Work shall generally consist of providing Owner-Occupied Rehabilitation loans as gap financing to low and very-low income homeowners (including repair and partial or full reconstruction).

3. Amount of Agreement

The amount of this Agreement for the Work described herein shall not exceed \$500,000.00

4. Expenditure & Expiration Dates

- A. One hundred percent (100%) of all funds must be expended by 9/26/2021 (i.e. within 36 months of the award date pursuant to CCR 25 §7755(a)). If this goal is not met:
- (i) the remaining unused funds shall be disencumbered by the Department; and
 - (ii) if less than ninety-five percent (95%) of the funds are expended at the end of the 36th month, Contractor's next application for funding under the CalHome Program shall receive a penalty deduction in the total points awarded with respect thereto.
- B. This Agreement shall expire 36 months from the date of contract execution, which is the date stamped in the lower-right corner of the first page of this agreement.

5. State Contract Coordinator

The coordinator of this Agreement for the State is the Grants Management Representative, Division of Financial Assistance, or their designee. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class mail to the following address:

Department of Housing and Community Development
Division of Financial Assistance
Grants Management
2020 W. El Camino Avenue, Suite 650
Sacramento, California 95833
Phone: (916) 263-2709

6. Contractor Contract Coordinator

The coordinator of this Agreement for the Contractor is listed below. Any change of Contractor Coordinator personnel must be reported to the Grant Management Representative within 7 days of the change. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class mail to the contact at the following address:

EXHIBIT A

Contractor Authorized Representative:	Michael Heggarty, Director Health and Human Services Agency 950 Maidu Avenue Nevada City, CA 95959
Phone:	(530) 265-1645
Contractor Contact:	Rob Choate, Administrative Services Associate 950 Maidu Avenue Nevada City, CA 95959
Phone:	(530) 265-1645
Email:	rob.choate@co.nevada.ca.us

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Disbursement Process

- A. Payments to Contractor for Owner Occupied Rehabilitation shall be on an advance or reimbursement basis. Upon the effective date of this Agreement, and upon submission of the required draw request form(s) and submission of any documentation required by the Department, as identified in Paragraph 1.C of this Exhibit, Contractor may, pursuant to CCR 25 §7753 (a)(3), obtain an advance, up to the amount of Contractor's anticipated volume of closed loans for the following sixty (60) days. An advance request must include a list of borrowers to be assisted and the approximate closing date of each project loan. Contractor must also: (1) provide the Grant Management Representative with ongoing monthly progress reports as to the status of the projects being assisted with advance funds, and (2) reconcile advances within ninety (90) days of issuance by the State Controller's Office, before any subsequent advance request will be processed. Any funds not disbursed to a project under construction must be returned to HCD, unless otherwise stipulated. As advance funds are used for eligible expenditures, the Contractor shall forward all required Borrower Summary documentation to the Grant Management Representative. When two-thirds (2/3) of the initial advance disbursement of CalHome Program funds have been expended, the Contractor may request the next advance under the same terms set forth above as provided under this Agreement. This procedure of advances, if utilized shall continue until the total amount provided under this Agreement is expended. The disbursal of funds, whether pursuant to reimbursements or advances, is subject to the requirements of Exhibit A, Paragraph 4. A, of this Agreement and to the condition that Contractor is not in default under this Agreement.
- B. The Department reserves the right to request additional documentation as needed at any time prior to, or after the processing of any draw request.
- C. As a condition of the first draw of funds for Owner-Occupied Rehabilitation, Contractor shall submit the following for the Department's review and approval:
- 1) Program guidelines describing the Contractor's Owner-Occupied Rehabilitation program per Regulations Section 7735(a);
 - 2) Written procedures for long-term loan servicing;
 - 3) A copy of Contractor's Reuse Account plan;
 - 4) An executed twenty (20) year Monitoring Agreement on a form to be provided by the Department ("20-year Monitoring Agreement"); and,
 - 5) Copies of Promissory Note and Deed of Trust that will be used by the Contractor.

EXHIBIT D

CALHOME PROGRAM TERMS AND CONDITIONS

1. Effective Date and Commencement of Work

This Agreement is effective upon approval by the Department which is the date stamped in the lower right hand corner of page one of this Agreement. The Contractor agrees that Work shall not commence, nor any costs to be paid with CalHome funds be incurred or obligated by any party prior to execution of this Agreement by the Department, completion of all required environmental clearances, and compliance with the applicable conditions of this Agreement. The Contractor agrees that the Work shall be completed in accordance with the dates specified in Exhibit A, Section 4. This Agreement shall terminate on the date set forth in Exhibit A, Section 4.

2. Amount and Form of Funding

- A. For the purposes of performing the Work, the Department agrees to provide to the Contractor the amount specified in Exhibit A, Section 3. In no instance shall the Department be liable for any costs for the Work in excess of this amount, nor for any unauthorized or ineligible costs.
- B. The Department shall provide funds to the Contractor to be used for the following eligible activities as further described in the NOFA, and specified in Exhibit A, Section 2, B:
 - 1) Provides gap financing to eligible local jurisdictions and nonprofit housing corporations for owner-occupied rehabilitation (including repair or full reconstruction.)

3. Permitted Uses of Funds

The Contractor shall use funds provided pursuant to this Agreement only for performance of the Work, and consistent with the requirements of the NOFA and the Regulations.

4. Termination and Breach

- A. In the event of the Contractor's failure to satisfy or comply with any term or condition in this Agreement or with respect to the 20-year Monitoring Agreement as specified in Exhibit B, Section 1, C, 4, within the time and in the manner specified, after written notice to the Contractor by the Department specifying:
 - 1) the breach;
 - 2) the action required to cure such breach; and,
 - 3) a date, not less than fifteen (15) days from the date of receipt of such notice by the Contractor, by which such breach must be cured.

The Department may exercise all rights and remedies available to it under the CalHome statutes, regulations and/or other CalHome documents.

EXHIBIT D

- B. In the event of such breach, the Department may also take such action or seek such remedies as provided in the 20-year Monitoring Agreement.
- C. Unless otherwise approved by the Department, upon termination of the expenditure deadline under this Agreement, the Contractor shall complete all the Work in progress and terminate any other activities that were to be paid for with CalHome Program funds. Any unexpended funds received by the Contractor shall be returned to the Department within fifteen (15) days of the notice of termination.

5. Insurance

- A. Prior to the disbursement of funds under this Agreement and thereafter during the term hereof, the Contractor shall obtain, carry, and maintain in force, comprehensive general liability insurance in the amount not less than one million dollars (\$1,000,000) for injury to or death of one person, one million dollars (\$1,000,000) for injury to or death of more than one person in one accident, and adequate property damage insurance. All insurance carriers must meet the requirements of the State of California Department of Insurance.
- B. Upon demonstration of cause satisfactory to the Department, the requirements of Paragraph 5.A above may be satisfied by the Contractor providing evidence of an alternative to conventional insurance sufficient to provide equivalent protection.

6. Inspections

- A. The Contractor shall inspect any Work performed hereunder to ensure the Work is being and has been performed in accordance with the applicable federal, state and/or local requirements, any applicable construction contract, and this Agreement. The Contractor agrees to require that all Work found by such inspections not conformed to the applicable requirements be corrected, and to withhold payment to the construction contractor or subcontractor until it is so corrected.
- B. The Department reserves the right to inspect any site upon which the Work is being performed. The Contractor shall include a provision permitting the Department or its agents or any subcontractor for performance of the Work.

7. Signs

- A. Contractor shall place a sign on the Property during construction that shall include the Department as one of the entities providing financing to the development.
- B. During the construction period the Department may place one or more signs on the Property stating that it is providing financing for the development.

EXHIBIT D

8. Reporting Requirements

- A. During the term of this Agreement, and no later than thirty (30) days after the end of each calendar quarter, the Contractor shall submit to the Department a performance report on a form provided by the Department.
- B. During the term of this Agreement, and no later than thirty (30) days after June 30th of each year, the Contractor shall submit, upon request of the Department, an annual performance report on a form provided by the Department. In the event the annual performance report is not received as required, any and all disbursements requests received from the contractor may be returned unpaid by the Department until the contractor has submitted the annual performance report as required.
- C. During the term of this Agreement, the Department reserves the right to request other forms or reports as necessary or required.
- D. Contractor shall submit any information reasonably required by the Department to administer the CalHome Program, including without limitation the following owner-occupant (applicant) data to the Department at least annually for the duration of their Standard Agreement:
 - 1) Did the applicant register with FEMA? If so, what is the registration number?
 - 2) Did the applicant register with the Small Business Administration (SBA)? If so, what is the registration number?
 - 3) Is the project built on wildland-urban interface (WUI) land?
 - 4) What is the identified insurance gap for reconstruction?
 - 5) What are the level of insurance funds applied and the type of insurance coverage (cash value, replacement cost, expanded)?
 - 6) What is the applicant's income level?
 - 7) What is the housing size of the applicant(s)?
 - 8) What is the total development cost per square foot per borrower?
 - 9) What are the construction costs per square foot per borrower?
 - 10) What is the specific activity type (rebuild, remodel, reconstruction, etc.)?
 - 11) What other fee costs or fee waivers are available?
 - 12) Is the location in a hazard area?
 - 13) What are the specific building material enhancements (Chapter 7a)?
 - 14) What other project specific hazard mitigations were taken (clearance, etc.)?

9. Audit/Retention and Inspection of Records

- A. Contractor shall retain all books and records pertaining to performance of this Agreement for a minimum of three years after the expiration of this Agreement and any and all amendments hereto, or for three years after the conclusion or resolution of any and all audits or litigation relevant to this Agreement, whichever is later.

EXHIBIT D

- B. Contractor shall adequately document each transaction to permit the determination, through an audit if requested by the Department, of the accuracy of the records and the allowability of the expenditures paid in whole or in part, with CalHome funds. If the allowability of an expenditure cannot be determined because records or documentation are inadequate, the questionable expenditure will be disallowed. The Contractor shall reimburse the Department for the amount of any disallowed expenditures of the Contractor or its agents or subcontractors. Determination by the Department of allowability of any expenditure shall be final.
- C. The Department does not require a routine audit of the Contractor's financial records; provided, however, the Contractor shall comply with any reasonable demand by the Department for an audit of the Contractor's activities related to this Agreement. If the Department provides the auditor, the Department will pay for the cost of the audit; otherwise, the Contractor shall pay the cost of the audit.
- D. Contractor agrees that the Department or its designee will have the right to review, obtain, and copy all records pertaining to performance of this Agreement. Contractor agrees to provide the Department or its designee with any relevant information requested and shall permit the Department or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with Government Code section 8546.7. Contractor further agrees to maintain such records for a period of three (3) years after final payment under this Agreement. The Grantee shall comply with the caveats and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in PCC 10115.10.

10. Monitoring Agreement

Upon the Department's approval of Recipient's Loan Servicing Plan and CalHome Program Reuse Account Plan, the Recipient shall enter into the 20-year Monitoring Agreement. The 20-year Monitoring Agreement allows the Department to obtain necessary reporting information; review and approve changes to Loan Servicing Procedures or CalHome Program Reuse Account Plans; and, to perform monitoring of CalHome Program operations and accounts.

11. Compliance with Laws and Guidelines

Contractor agrees at all times to act with respect to the CalHome Program, CalHome activities, and use of funds committed herein shall be in conformity with all laws applicable to the CalHome Program including those of the State of California, all federal laws, all local rules or ordinances, all requirements of the CalHome Program including the CalHome Statutes and Regulations.

EXHIBIT D

12. Disencumbering Funds

Funds authorized by this Agreement shall be disencumbered in whole or in part to the extent the same are not expended within 36 months of the award date, in strict accordance with the terms specified in Exhibit A, Paragraph 4. A.

13. Waiver

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. Any remedy afforded in this Agreement shall be taken and construed as cumulative, and in addition to, any other remedy provided therein or by law. The failure of the Department to enforce at any time the provisions of this Agreement or to require at any time performance by the Contractor of such provisions shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the Department to enforce these provisions.

14. Litigation

- A. If any provision of this Agreement, or underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Contractor shall notify the Department immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the Department, and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

15. Prevailing Wage

- A. Where funds provided through this Agreement are used for construction work, or in support of construction work, Contractor shall ensure that the requirements of Chapter 1 (commencing with section 1720) of part 7 of the Labor Code (pertaining to the payment of prevailing wages and administered by the California Department of Industrial Relations) are either met or not applicable.
- B. For the purposes of this requirement "construction work" includes, but not limited to the rehabilitation, alteration, demolition, installation or repair done under contract and paid for, in whole or in part, through this Agreement. (Note: For the purposes of this requirement "in support of construction work" includes, but not limited to the work performed during the design and preconstruction phases of construction (i.e. development,) including, but not limited to, inspection and land surveying work under contract and paid for, in whole or in part, through this Agreement. Development related work "in support of construction work" such as involving employment of trades/crafts like a field soil tester, laborer, electrical utility lineman, tree trimmer, driver (on/off-hauling to/from construction site shall be paid prevailing wages pursuant to California Labor Code, part 7, Chapter 1.). All construction work shall be done through the use of a written contract with a properly licensed building contractor incorporating these

EXHIBIT D

requirements (the "construction contract"). Where the construction contract will be between the Contractor and a licensed building contractor, Contractor shall serve as the "awarding body." Prior to any disbursement of funds, including but not limited to release of any final retention payment, the Department may require a certification from the awarding body that prevailing wages have been or will be paid.

16. State Contract Manual Requirements (Section 3.11, Federally Funded Contracts (Rev. 3/03)):

- A. All contracts, except for State construction projects that are funded in whole or in part by the Federal government, must contain a 30-day cancellation clause and the following provisions:
- 1) It is mutually understood between the parties that this contract may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds to avoid program and fiscal delays that would occur if the contract were executed after that determination was made.
 - 2) This contract is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the purpose of this Program. In addition, this contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this contract in any manner.
 - 3) The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.
 - 4) The department has the option to invalidate the contract under the 30-day cancellation clause or to amend the contract to reflect any reduction in funds.
- B. Exemptions from provisions A. 1 through A. 4 above may be granted by the Department of Finance provided that the director of the State agency can certify in writing that Federal funds are available for the term of the contract.
- C. GC § 8546.4(e) provides that State agencies receiving Federal funds shall be primarily responsible for arranging for Federally required financial and compliance audits, and shall immediately notify the Director of Finance, the State Auditor, and the State Controller when they are required to obtain Federally required financial and compliance audits.

EXHIBIT E

SPECIAL TERMS AND CONDITIONS

None.