

**GRANT AGREEMENT
FOR THE
VALENTINE ROAD AFFORDABLE HOUSING DEVELOPMENT**

This Grant Agreement ("Grant Agreement") is entered into by and between the County of Ventura, a political subdivision of the State of California ("County") and Homecomings, Inc., a California nonprofit corporation ("Grantee"), an affiliate of the Housing Authority of the City of San Buenaventura ("HACSB"), as of _____, 2023 ("Effective Date").

RECITALS

Whereas, the California Department of Housing and Community Development ("HCD") released a Notice of Funding Availability for Homekey Round 3 funding to rapidly expand housing for persons experiencing or at-risk of homelessness; and

Whereas, the County of Ventura Community Development Division released a Request for Letters of Interest from qualified partners to collaborate with the County to leverage Homekey Round 3 funds for the creation of new permanent supportive housing and/or transitional housing for homeless youth or recuperative care ("Request"); and

Whereas, the HACSB submitted a Letter of Interest in response to the Request and proposed the acquisition and rehabilitation of an existing 142 unit motel located at 5818 Valentine Road, Ventura, CA ("Project"), to create 134 units of permanent housing for persons experiencing homelessness or at risk of homelessness, plus two unrestricted on-site manager's units; and

Whereas, on March 14, 2023, the County Board of Supervisors approved an allocation of \$5,500,000 in General Funds for this Project to be used as match funding to Homekey program funds; and

Whereas, the HACSB applied for and received Homekey Round 3 funding, in an amount of \$32,076,607 for the Project; and

Whereas, Grantee is an affiliate of the HACSB and will utilize the funding provided under this Grant Agreement for the purpose of acquiring the Project; and

Whereas, on July 25, 2023, the County Board of Supervisors approved this Grant Agreement memorializing the grant of funds to the Grantee for the Project subject to receipt of a Homekey award from the State of California Department of Housing and Community Development ("HCD"); and

Whereas, on _____, 2023, HCD announced an award of Homekey program funds to the HACSB for the acquisition and renovation of the Project.

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms, and conditions hereinafter contained in this Grant Agreement, the parties hereby agree as follows:

Terms and Conditions

1. Scope of Work

In consideration of the payments hereinafter set forth, the Grantee will perform services in accordance with the terms, conditions and specifications set forth herein and in Exhibit A, attached hereto and incorporated herein.

2. Payments

In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit A, County will make payment to the Grantee in the manner specified in Exhibit A.

3. Termination of Prior Agreements

This Grant Agreement sets forth the entire agreement between the parties and supersedes any and all other agreements, either oral or in writing with respect to the subject matter hereof and this Grant Agreement contains all the agreements between the parties with respect to such subject matter. The parties hereby waive any notice provisions, conditions to termination, or matters otherwise required to terminate such prior agreements.

4. Independent Contractor

No relationship of employer and employee is created by this Grant Agreement, it being understood that the Grantee is an independent contractor, and neither the Grantee nor any of the persons performing services for the Grantee pursuant to this Grant Agreement, whether said person be member, partner, employee, subcontractor, or otherwise, will have any claim under this Grant Agreement or otherwise against County for sick leave, vacation pay, retirement benefits, social security, workers' compensation, disability, unemployment insurance benefits, or employee benefits of any kind.

It is further understood and agreed by the parties hereto that, except as provided in this Grant Agreement, the Grantee in the performance of its obligation hereunder is subject to the control or direction of County merely as to the result to be accomplished

by the services hereunder agreed to be rendered and performed and not as to the means and methods for accomplishing the results.

If, in the performance of this Grant Agreement, any third persons are employed by the Grantee, such persons will be entirely and exclusively under direction, supervision and control of the Grantee. All terms of employment, including hours, wages, working conditions, discipline, hiring and discharging or any other terms of employment or requirements of law, will be determined by the Grantee, and County will have no right or authority over such persons or the terms of such employment, except as provided in this Grant Agreement.

The Grantee will comply with all applicable provisions of Divisions 4 and 5 of the California Labor Code, and all amendments thereto, and all similar applicable state and federal laws, governing workers' compensation, insurance and safety, and will indemnify and hold harmless County from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including attorney's fees and costs, presented, brought or recovered against County, for or on account of any liability under any of said provisions and laws which may be incurred by reasons of any work to be performed under this Grant Agreement.

5. Living Wage

This Grant Agreement is subject to County's Living Wage Ordinance, Ventura County Ordinance Code section 4950 et seq. (LWO), as amended from time to time, unless otherwise exempt in accordance with the provisions of the LWO.

The LWO requires the payment of a living wage and accompanying paid time off to all covered employees engaged in providing services pursuant to a service contract as defined in [LWO section 4952\(f\)](#). Failure to comply will constitute a material breach of the Grant Agreement and may result in, among other things, the suspension or termination of the Grant Agreement and debarment from future County contracting opportunities for a period not to exceed three (3) years.

6. Non-Assignability

The Grantee will not assign this Grant Agreement or any portion thereof to a third party without the prior written consent of County, and any attempted assignment without such prior written consent will be null and void and will be cause, at County's sole and absolute discretion, for immediate termination of this Grant Agreement.

Notwithstanding the provisions of this Section 6, the County hereby approves the transfer of the Project to a limited partnership, of which the HACSB or an affiliate, is the Managing General Partner.

7. Term

This Grant Agreement will be in effect for the term described in Exhibit A, subject to all the terms and conditions set forth herein.

Time is of the essence in the performance of this Grant Agreement.

8. Termination

This Grant Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale or assignment of the Grantee's business, (c) cancellation of insurance required under the terms of this Grant Agreement, and (d) if, for any reason, the Grantee ceases to be licensed or otherwise authorized to do business in the State of California.

Should either party default in the performance of this Grant Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Grant Agreement by giving a 30-day written notification to the other party. Each party shall be given a period of ten (10) days, to cure the default or provide a written request for additional time to cure, which shall not be unreasonably withheld.

9. Default

If Grantee defaults in the performance of any term or condition of this Grant Agreement, Grantee must cure that default by a satisfactory performance within 10 days after service upon Grantee of written notice of the default. If the Grantee fails to cure the default within that time, then County may terminate this Grant Agreement without further notice.

The foregoing requirement for written notice and opportunity to cure does not apply with respect to paragraph 6 above.

10. Indemnification, Hold Harmless and Waiver of Subrogation

All activities and/or work covered by this Grant Agreement will be at the risk of the Grantee alone. The Grantee agrees to defend, indemnify, and save harmless County, including all of its boards, agencies, departments, officers, employees, agents and volunteers, against any and all claims, lawsuits, whether against The Grantee, County or others, judgments, debts, demands and liability, including, without limitation, those arising from injuries or death of persons and/or for damages to property, arising directly or indirectly out of the obligations herein described or undertaken or out of operations conducted or subsidized in whole or in part by The Grantee, save and except claims or litigation arising through the sole negligence or wrongdoing and/or sole willful misconduct of County. The Grantee agrees to waive

all rights of subrogation against County for losses arising directly or indirectly from the activities and/or work covered by this Grant Agreement.

11. Insurance Provisions

- A) The Grantee, at its sole cost and expense, will obtain and maintain in full force during the term of this Grant Agreement the following types of insurance:
 - 1) Commercial General Liability "occurrence" coverage in the minimum amount of \$1,000,000 combined single limit (CSL) bodily injury & property damage each occurrence and \$2,000,000 aggregate, including personal injury, broad form property damage, products/completed operations, broad form blanket contractual and \$50,000 fire legal liability.
 - 2) Commercial Automobile Liability coverage in the minimum amount of \$1,000,000 CSL bodily injury & property damage, including owned, non-owned, and hired automobiles. Also to include Uninsured/Underinsured Motorists coverage in the minimum amount of \$100,000 when there are owned vehicles.
 - 3) Workers' Compensation coverage, in full compliance with California statutory requirements, for all employees of The Grantee and Employer's Liability coverage in the minimum amount of \$1,000,000.
- B) All insurance required will be primary coverage as respects County and any insurance or self-insurance maintained by County will be excess of the Grantee's insurance coverage and will not contribute to it.
- C) County is to be notified immediately if any aggregate insurance limit is exceeded. Additional coverage must be purchased to meet requirements.
- D) County is to be named as Additional Insured as respects to work done by the Grantee under the terms of this Grant Agreement for General Liability Insurance.
- E) The Grantee agrees to waive all rights of subrogation against County and its boards, agencies, departments, officers, employees, agents and volunteers for losses arising from work performed by the Grantee under the terms of this Grant Agreement.

- F) Policies will not be canceled, non-renewed or reduced in scope of coverage until after sixty (60) days' written notice has been given to County's Risk Management Division.
- G) The Grantee agrees to provide County with the following insurance documents on or before the commencement date of this Grant Agreement:
 - 1. Certificates of Insurance for all required coverage.
 - 2. Additional Insured endorsement for General Liability Insurance.
 - 3. Waiver of Subrogation endorsement (a.k.a.: Waiver of Transfer Rights of Recovery Against Others, Waiver of Our Right to Recover from Others) for Workers' Compensation.

Failure to provide these documents will be grounds for immediate termination or suspension of this Grant Agreement.

12. Non-Discrimination

The Grantee will ensure equal employment opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this Grant Agreement. The Grantee's personnel policies will be made available to County upon request.

13. Investigation and Research

The Grantee by investigation and research has acquired reasonable knowledge of all conditions affecting the work to be done and labor and material needed, and the execution of this Grant Agreement is to be based upon such investigation and research, and not upon any representation made by County or any of its officers, agents or employees, except as provided herein.

14. Grant Agreement Monitoring

County will have the right to review the work being performed by the Grantee under this Grant Agreement at any time during the Grantee's usual working hours. Review, checking, approval or other action by County will not relieve the Grantee of the Grantee's responsibility for the thoroughness of the services to be provided hereunder.

15. Addenda

County may from time to time require changes in the scope of the services required hereunder. Such changes, including any increase or decrease in the amount of the Grantee's compensation, which are mutually agreed upon by and between County and the Grantee will be effective when incorporated in written amendments to this Grant Agreement. This Grant Agreement may not be altered, amended, or modified except by written instrument signed by the duly authorized representative of both parties.

16. Conflict of Interest

The Grantee covenants that the Grantee presently has no interest, including, but not limited to, other projects or independent contracts, and will not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Grant Agreement. The Grantee further covenants that in the performance of this Grant Agreement no person having such interest will be employed or retained by the Grantee under this Grant Agreement.

17. Confidentiality

Any reports, information, data, statistics, forms, procedures, systems, studies and any other communication or form of knowledge given to or prepared or assembled by the Grantee under this Grant Agreement that County requests in writing to be kept confidential will not be made available to any individual or organization by the Grantee without the prior written approval of County except as authorized by law.

18. Notices

All notices required under this Grant Agreement will be made in writing and addressed or delivered as follows:

To County:
County Executive Office
Attn: Tracy McAulay
Hall of Administration L#1940
800 South Victoria Avenue
Ventura, CA 93009

To the Grantee:
Denise Wise, CEO
Housing Authority of the City of San Buenaventura
995 Riverside Street
Ventura, CA 93001

Either party may, by giving written notice in accordance with this paragraph, change the names or addresses of the persons or departments designated for receipt of future notices. When addressed in accordance with this paragraph and deposited in the United States mail, postage prepaid, notices will be deemed given on the third day following such deposit in the United States mail. In all other instances, notices will be deemed given at the time of actual delivery.

19. Governing Law

The validity of this Grant Agreement and any of its terms or provisions, as well as the rights and duties of the parties under this Grant Agreement, will be construed pursuant to and in accordance with the laws of the State of California.

20. Severability of Grant Agreement

If any term of this Grant Agreement is held by a court of competent jurisdiction to be void or unenforceable, the remainder of the Grant Agreement terms will remain in full force and effect and will not be affected.

21. Cumulative Remedies

The exercise or failure to exercise of legal rights and remedies by County in the event of any default or breach hereunder will not constitute a waiver or forfeiture of any other rights and remedies and will be without prejudice to the enforcement of any other right or remedy available by law or authorized by this Grant Agreement.

22. Compliance With Laws

Each party to this Grant Agreement will comply with all applicable laws.

23. Construction of Covenants and Conditions

Each term and each provision of this Grant Agreement will be construed to be both a covenant and a condition.

24. Amendments

No alteration of this Grant Agreement shall be valid unless agreed to in writing by the County and Grantee. The County Executive Officer shall be authorized to approve amendments to this Grant Agreement, subject to County Counsel approval.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

County of Ventura

Authorized Signature

Printed Name

Title

Date

Homecomings Inc., a California nonprofit corporation*

Authorized Signature

Printed Name

Title

Date

Tax Identification Number

Authorized Signature

Printed Name

Title

Date

* If a corporation, this Grant Agreement must be signed by two specific corporate officers.

The first signature must be either the (1) Chief Executive Officer, (2) Chairman of the Board, (3) President, or any (4) Vice President.

County of Ventura

Grant Agreement for the Valentine Road Affordable Housing Development

Signature Page

The second signature must be the (a) Secretary, an (b) Assistant Secretary, the (c) Chief Financial Officer, or any (d) Assistant Treasurer.

In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signature to bind the company.

Exhibit A

Scope of Work and Compensation Schedule

Scope of Work

The HACSB will acquire and ultimately renovate the Project utilizing Homekey Program and funding provided under this Agreement. The Project will be owned and managed as permanent housing by the HACSB, directly or under an affiliate.

The Homekey program will require a use covenant to be recorded in first lien position, restricting the use of the property as permanent housing for persons experiencing or at-risk of homelessness (the "Target Population"), for fifty-five years.

In exchange therefore, the County will provide a grant in the amount of \$5,500,000 to the Grantee in accordance with the schedule outlined below. The Grantee shall utilize this funding to acquire the Project for the purpose of creating permanent housing for the Target Population.

Term

The Term of this Agreement is eighteen (18) months from the Effective Date, with two six (6) month extensions available upon written request from the Grantee and approved in writing by the County. Written requests must be submitted at least 60 days before expiration of the Term and may be approved by the County of Ventura Community Development Division Director. This Agreement may be terminated earlier upon completion of milestones and close-out of the project, as defined below.

Monitoring and Reporting

The Grantee will be required to ensure all units designated for persons experiencing homelessness, including those qualifying as chronically homeless, are filled through the Ventura County Continuum of Care's Coordinated Entry System ("CES"), Pathways to Home.

No less frequently than monthly during the Term, the Grantee shall provide a written report on the status of the Project to the County, the substance and form of which will be determined at a later date. The monthly report will provide information on progress towards completion, anticipated schedule to completion and information on any barriers or challenges encountered with the proposed scope of work.

Every other month during the duration of rehabilitation of the Project, County staff shall attend an on-site Owner-Architect-Contractor meeting, or equivalent, to monitor the progress of the work.

Milestones and Close-Out

Project milestones and required documents to be provided to the County will include the following at a minimum:

1. Property Acquisition/Close of Escrow. Acceptable documentation will include:
 - a. Final settlement statement showing the County's grant funding utilized towards acquisition of the Project; and
 - b. A Grant Deed showing the HACSB, Grantee, or an affiliate, as Owner of the Project.
2. Transfer of the Project to an affiliate of the HACSB. Acceptable documentation will include:
 - a. Assignment and Assumption Agreement transferring the Project, or equivalent;
 - b. Grant Deed showing the affiliate as the new owner of the Project; and
 - c. Documentation demonstrating the relationship between the HACSB, Grantee and the ownership entity.
3. Firm Commitments of Other Financing. Acceptable documentation will include:
 - a. Commitment letters from other project financiers; or
 - b. Executed grant/loan documents from other project financiers.
4. Start of Construction
5. Pre-leasing.
 - a. The County Executive Office and Continuum of Care ("CoC") shall be provided with written notice prior to pre-leasing or leasing activities to facilitate prioritization of housing through the CoC's Coordinated Entry System.
6. Completion of Construction. Acceptable documentation will include:
 - a. Certificate of Occupancy, or equivalent documentation (e.g. signed building permits) from the City of Ventura; and
 - b. Copy of the Recorded Homekey covenant demonstrating the use of the Project as housing under the Homekey Program for 55 years.

Upon receipt of all documentation specified in this section, this Grant Agreement may be terminated prior to the end of the Term, as set forth in Term above.

Compensation Schedule

A total amount not to exceed \$5,500,000 will be paid to the Grantee to support the acquisition of property for the Scope of Work.

Funds will be wired into escrow.

To seek payment, the Grantee will present a written request for disbursement to the County a minimum of 14 days before anticipated close of escrow, accompanied by wiring instructions, and a W-9 form. Notice in advance of 14 days is appreciated but not required.

Within 7 business days of submittal to the County, the County will review and approve or deny the request. If denied, Grantee will have the opportunity to update the

County of Ventura

Grant Agreement for the Valentine Road Affordable Housing Development

Exhibit A

submission and resubmit it to the County for re-consideration. Upon approval, the County will issue escrow instructions and will coordinate with the Grantee on the wire.

Signage

The Grantee and HACSB shall ensure recognition of the role of the County in providing funding through this Grant Agreement on all signage, advertisements and marketing material. In addition, the Borrower will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.