

AMENDED AND RESTATED COOPERATING AGREEMENT FOR HOMEKEY ROUND 2 PROJECT

THIS AMENDED AND RESTATED COOPERATING AGREEMENT FOR HOMEKEY ROUND 2 PROJECT (“Agreement”), dated December 19, 2023 (the “Effective Date”), between the County of Ventura (“County”), Mesa Independent Living, a 501(c)(3) Non-Profit Corporation (“Mesa”) and People’s Self-Help Housing Corporation, a 501(c)(3) Corporation (“PSHH”), hereby replaces and supersedes in its entirety the Cooperating Agreement for Homekey Round 2 Project executed by County, Mesa and PSHH on December 23, 2021. County, Mesa and PSHH are sometimes individually referred to as a “Party” and collectively as the “Parties.”

RECITALS

A. In response to the spread of COVID-19 in the State of California, Governor Newsom secured Federal Emergency Management Agency (“FEMA”) approval for “Project Roomkey”, a state-wide initiative with the intention of securing thousands of motel rooms to provide non-congregate shelter for extremely vulnerable individuals experiencing homelessness to help keep susceptible, homeless persons safe, flatten the curve, and preserve hospital capacity. Locally, more than 700 vulnerable persons have been provided shelter during the pandemic in local hotels with more than 250 remaining in this program.

B. On June 15, 2020, the state of California passed a budget that included \$550 million for the purpose of rapidly expanding the inventory of housing available to homeless persons currently served by Project Roomkey and subsequently launched the Homekey Program.

C. Following on the success of the 2020 Homekey Program, the State’s FY 2021-22 budget includes a \$1.4 billion dollar program for Homekey Round 2 administered by the Department of Housing and Community Development (“HCD”).

D. The County of Ventura Community Development Division, in collaboration with local cities, released a Request for Letters of Interest from qualified partners to collaborate with the County to leverage Homekey Round 2 funds for the creation of new permanent supportive housing, transitional housing for homeless youth or recuperative care (“Request”).

E. Mesa and PSHH submitted a Letter of Interest in response to the Request for the proposed acquisition, rehabilitation and construction of five tiny homes on a 10-acre property located outside of the City of Ojai at 400 Gorham Road in unincorporated Ventura County (“Project”). Subsequently, the construction of a total of ten tiny homes was approved to provide private space for clients and more shared common spaces and offices in the existing home on the property.

F. Together Mesa and PSHH are an experienced team in affordable housing real estate development and in providing housing assistance to those experiencing homelessness.

G. The County selected Mesa as a co-applicant and PSHH as an advisory partner for Homekey Round 2 funding for the purpose of undertaking, in collaboration with the County, the following activities:

1. Submitting a joint application to HCD for Homekey Round 2 funds in an amount not to exceed \$4,229,800 for the Project;
2. Negotiating directly with property owner(s) and effectuating the purchase of the real property located at 400 Gorham Road in unincorporated Ventura County (“Project Site”);

3. Assisting the County in obtaining state funding made available for the purpose of acquiring the Project Site and applying for all other necessary Project financing;
4. Preparing and carrying out a scope of work necessary to convert the Project Site into transitional housing and to create safe and habitable living spaces for up to twelve transitional aged youth (“TAY”) who are homeless or at-risk of homelessness; and
5. Owning, managing and operating the site as transitional housing in compliance with the requirements of the Homekey Round 2 Program shall be the sole responsibility of Mesa.
 - i. County will require Mesa to incorporate the principals of Housing First.
 - ii. Units will be filled through the Ventura County Continuum of Care’s Coordinated Entry System, Pathways to Home.

- H. To support the Joint Application for, and maximize the investment of, Homekey Round 2 funds from the State, the County will provide the following local match contributions:
- a. A local capital match contribution in an amount not to exceed \$1,200,000 utilizing funding from the federal American Rescue Plan Act toward acquisition and rehabilitation of the Project site; and
 - b. An operating subsidy match contribution in an amount not to exceed \$806,400 utilizing Permanent Local Housing Allocation (PLHA) funds, further subject to approval by HCD.

NOW, THEREFORE, in consideration of the recitals and mutual covenants and conditions contained in this Agreement, incorporated herein, the Parties agree as follows:

1. Term; Early Termination.

1.1 The term of this Agreement will expire on the earlier of 1,095 days from December 23, 2021 or on the date that the local jurisdiction issues a Certificate of Occupancy, or its equivalent, unless earlier terminated or extended pursuant to the terms of this Agreement (“Term”).

1.2 County shall have the authority to approve up to two (2) extensions of the Term if the County determines, in its sole discretion, that satisfactory progress is being made to achieve the Parties’ objectives but that such an extension is necessary in order to finalize discussions or negotiations on mutually satisfactory terms. Each extension shall be in writing and will be for a period of up to 90 days.

1.3 Notwithstanding the Term, each Party has the right to terminate this Agreement upon thirty (30) days’ written notice to the other Party in the event that (i) County, Mesa or PSHH determines that the Project is infeasible, based on financial or environmental impact considerations; or (ii) the Parties reach an impasse in their negotiations that cannot be resolved after good faith efforts.

2. Exclusive Negotiations.

2.1 During the Term, Mesa and PSHH will have the exclusive right to negotiate with the County regarding the selection and development of the Project. The Parties will negotiate in good faith to achieve their objectives and accomplish the tasks described in this Agreement with respect to the Project, and Parties agree that they will commit the financial and/or time resources required to conduct the tasks outlined in this Agreement.

3. Preliminary Project Development Tasks.

3.1 During the Term, Mesa's responsibilities as co-applicant and PSHH's responsibilities as advisor, with the cooperation from County staff, include the followings tasks:

- a) Negotiate with property owner(s) and effectuate the purchase of the Project Site;
- b) Define a development schedule, including Project(s) milestones;
- c) Undertake all such environmental review required by the California Environmental Quality Act and National Environmental Policy Act, as applicable, and seek all use entitlements to place the Project Site in a condition ready for development of the Project.
- d) Identify and obtain other funding sources for the Project.
- e) Assist the County in obtaining state funding made available for the purpose of acquiring the Project Site utilizing Homekey Round 2 funds and to apply for all other necessary Project financing;
- f) Prepare and carry out a scope of renovation work necessary to create transitional housing for up to twelve TAY; and
- g) At the conclusion of the tasks defined above, Mesa shall own, manage and operate the property throughout the required affordability periods pursuant to the Homekey Program and all other funding requirements, which shall commence on the date that the local jurisdiction issues a Certificate of Occupancy, or its equivalent, and continue for 55 years. The 55-year affordability period will be enforced through a covenant to be recorded on the property in connection with County investments of PLHA and/or other funding, which may be subordinated at the sole discretion of the County.

4. Project Manager Status.

4.1 Project Manager. The Project Manager will be Mesa. Other employees, consultants, or representatives who are proposed to be directly involved in the Project will be determined by Mesa and submitted to the County upon any such determination.

4.2 Non-Assignability. Mesa will not assign this 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 Agreement.

5. Indemnification.

5.1 Indemnity. All activities and/or work covered by this Agreement will be at the risk of Mesa and PSHH alone. Mesa and PSHH agree to defend, indemnify, and save harmless the County, including all of its boards, agencies, departments, officers, employees, agents and volunteers, against any and all third party claims, lawsuits, whether against Mesa and PSHH, 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 Mesa and PSHH, save and except claims or litigation arising through the sole negligence or wrongdoing and/or sole willful misconduct of County. Mesa and PSHH agree to waive all rights of subrogation against County for losses arising directly or indirectly from the activities and/or work covered by this Agreement.

6. Miscellaneous.

6.1 Notices. Formal notices, demands, and communications between County, Mesa and PSHH must be given either by (i) personal service, (ii) delivery by reputable overnight document delivery service that provides a receipt showing date and time of delivery, or (iii) or by U.S. first class certified mail, return receipt requested, addressed to:

To County: County Executive Office
Attn: Tracy McAulay, Management Analyst
800 South Victoria Avenue, L #1940
Ventura, CA 93009
(805) 232-1371
tracy.mcaulay@ventura.org

To Mesa: Mesa Independent Living
Attn: Dan Parziale, Executive Director
P.O. Box 481
Ojai, CA 93024
323.308.0060
dan.parziale@mesafarm.org

and

To PSHH: People's Self-Help Housing Corporation
1060 Kendall Road
San Luis Obispo, CA 93401
Attn: Ken Trigueiro, CEO & President
805.781.3088
kenneth@pshhc.org

Notices will be deemed effective upon receipt. Such written notices, demands, and communications will be sent in the same manner to such other addresses as any party may from time to time designate by mail.

6.2 Interpretation. The terms of this Agreement will be construed in accordance with the meaning of the language used and will not be construed for or against any party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The section headings are for purposes of convenience only, and will not be construed to limit or extend the meaning of this Agreement.

6.3 Amendments. Any alteration, change, or modification of or to this Agreement must be in writing and signed by authorized representatives on behalf of each of the Parties. Substantial amendments to this Agreement will be subject to the approval of the County of Ventura Board of Supervisors, including, but not limited to, any changes necessary to secure conventional financing or State or federal affordable housing financing. The County Executive Officer or designee is authorized to make minor revisions to this Agreement, subject to the review and approval of County Counsel.

6.4 Counterparts. This Agreement may be executed in counterparts, each of which, after all the Parties hereto have signed this Agreement, will be deemed to be an original, and such counterparts will constitute one and the same instrument.

6.5 Confidentiality. Mesa and PSHH acknowledge and agree that the County is a public entity with a responsibility and, in many cases, a legal obligation to conduct its business in a manner open and available to the public. Accordingly, any information provided by Mesa and PSHH to County with respect to the Project Site, the Project, Mesa or PSHH may be disclosed to the public either purposely, inadvertently, or as a result of a public demand, request or order.

6.6 Sole remedy for County default. Subject to Mesa and PSHH's rights to terminate this Agreement, the exclusive remedy for an uncured County default under this Agreement is to institute an action for specific performance of the terms of this Agreement. In no event will Mesa or PSHH have the right, and Mesa and PSHH expressly waive the right, to seek monetary damages of any kind (including but not limited to actual damages, economic damages, consequential damages, or lost profits) from County in the event of a default by County under this Agreement or any action related to this Agreement.

6.7 Time is of the Essence. Time is of the essence for each of Mesa and PSHH's obligations under this Agreement.

6.8 Integration Clause. This Agreement contains the entire agreement between the parties hereto and replaces and supersedes any and all prior written and oral agreements regarding the subject matter hereof, including but not limited to the original Cooperating Agreement for Homekey Round 2 Project between the parties dated December 23, 2021.

THE UNDERSIGNED AUTHORIZED REPRESENTATIVES of County, Mesa Independent Living and People's Self-Help Housing have executed this Agreement as of the Effective Date:

COUNTY OF VENTURA

By: _____
Christy Madden, Sr. Deputy Executive Officer

Date: _____

MESA INDEPENDENT LIVING

By: _____
Dan Parziale, Executive Director

Date: _____

PEOPLE'S SELF-HELP HOUSING

By: _____
Ken Trigueiro, CEO & President

Date: _____