

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number
25-035

SAP Number

Community Development and Housing Department

Department Contract Representative	<u>Carrie Harmon</u>
Telephone Number	<u>909-382-3983</u>
Contractor	<u>Family Assistance Program</u>
Contractor Representative	<u>Darryl Evey</u>
Telephone Number	<u>760-985-0726</u>
Contract Term	<u>August 19, 2025-January 19, 2026</u>
Original Contract Amount	<u>\$2,000,000</u>
Amendment Amount	_____
Total Contract Amount	<u>\$2,000,000</u>
Cost Center	_____
Grant Number (if applicable)	_____

BRIDGE LOAN AGREEMENT

IT IS HEREBY AGREED AS FOLLOWS:

This Bridge Loan Agreement ("Agreement") is made and entered into as of August 19, 2025 by and between San Bernardino County ("County") and Family Assistance Program, a California non-profit corporation with its principal place of business at 15075 7th Street, Victorville, CA 92395 ("Borrower") for the Youth Drop-In Center Expansion and Tiny Home Village Project located in the City of Victorville ("Project").

Recitals

WHEREAS, Borrower is an experienced youth service provider with over thirty years of experience providing housing and supportive services to homeless, at-risk, and foster youth in San Bernardino County;

WHEREAS, Borrower owns real property located at 16857 C Street in the City of Victorville (the "Property"), which currently operates as a youth drop-in center and has approved plans from the City of Victorville to rehabilitate and expand the property to provide interim housing for homeless youth;

WHEREAS, the County's Community Development and Housing Department is responsible for developing and advancing the County's housing and shelter strategy to expand housing infrastructure and address homelessness;

WHEREAS, the California Department of Housing and Community Development ("HCD") issued the Notice of Funding Availability for the Homekey Program, Round 3, dated March 29, 2023 ("NOFA") to rapidly expand interim housing for transition-age youth (18-24) who are experiencing or at-risk of homelessness;

WHEREAS, eligible applicants include cities, counties, cities and counties, and other state, regional, and local public entities, with each eligible applicant permitted to apply jointly with a co-applicant;

WHEREAS, the Project consists of two primary components: (1) expansion and improvement of the existing drop-in center to include a minimum of 8 non-congregate shelter units, and (2) establishment of a Tiny Home Village consisting of seven prefabricated duplex buildings providing 14 additional units, for a total of 22 interim housing units serving homeless and at-risk youth with incomes at or below 30% of area median income;

WHEREAS, County, as applicant, and Borrower, as co-applicant, submitted a joint Homekey Round 3 application to HCD for the Project and have been conditionally awarded total grant funding of \$5,826,222 and as of the time this Agreement is executed, the Homekey Round 3 Standard Agreement has not been executed;

WHEREAS, the Project has a construction completion deadline of May 6, 2026;

WHEREAS, the Borrower needs a \$2,000,000 bridge loan to commence construction in order to meet and construction completion deadline because HCD has not yet provided the Homekey Round 3 Standard Agreement for execution or disbursed the \$5,826,222 to the County;

WHEREAS, the County has a Housing Development Grant Fund established to support strategic, data-driven initiatives that address homelessness by prioritizing cost-effective, low-barriers shelter models and development of transitional and permanent supportive housing;

WHEREAS, Borrower has requested a Bridge Loan from County in the principal amount of \$2,000,000 (the "Loan") for the purpose of commencing construction on the Project while HCD prepares the Homekey Round 3 Standard Agreement for execution and then disburses \$5,826,222 to the County for the Project; and

WHEREAS, County is willing to make the Loan to Borrower on the terms and conditions set forth in this Bridge Loan Agreement (the "Agreement").

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contain, the County and Borrower mutually agree as follows:

1. Loan Amount and Disbursement

- 1.1 Loan Amount: County agrees to lend to Borrower, and Borrower agrees to borrow from County the principal sum of \$2,000,000.00 (Two Million Dollars and No Cents) for the sole purpose of constructing the Project.
- 1.2 Disbursement: The Loan shall be disbursed to Borrower upon satisfaction of all conditions precedent set forth in this Agreement to be deposited in a Project account.

2. Interest Rate

- 2.1 Interest Rate: The Loan shall bear interest at a rate of 3% per annum, calculated on the basis of a 360-day year for the actual number of days elapsed.

3. Repayment Schedule

- 3.1 **Maturity Date:** The entire principal amount of the Loan shall be due and payable on January 19, 2026. When HCD disburses the Homekey Program Round 3 grant funding, \$2,000,000 of the Homekey Program Round 3 grant funding will be used to repay the loan.
- 3.2 **Prepayment:** Borrower may prepay the Loan in whole or in part at any time before January 19, 2026 without penalty. If Borrower repays the Loan in full before January 19, 2026, the accrued interest will be forgiven.
- 3.3 Borrower shall repay the Loan pursuant to the terms and conditions of the Promissory Note (attached hereto in Exhibit A) evidencing Borrower's obligations to repay the Loan pursuant to the terms of such Promissory Note. The Promissory Note shall be secured by the Deed of Trust (attached hereto in Exhibit B).

4. Security

A Deed of Trust in substantially the same form of Exhibit B attached to this Agreement shall be recorded against the Property securing Borrower's obligation to repay the Loan pursuant to the terms of the Promissory Note.

5. Covenants

- 5.1 **Affirmative Covenants.** Borrower covenants and agrees to:
 - 5.1.1 Maintain its legal non-profit status in good standing.
 - 5.1.2 Comply with all applicable laws and regulations and the NOFA, the application, the Homekey Round 3 Standard Agreement, the Multifamily Housing Program (Health and Safety Code 50675, et seq.), the Multifamily Housing Program Guidelines, the California Code of Regulations Title 25, Section 42, and the Uniform Multifamily Regulations (collectively referred to as "Homekey Program Requirements").
 - 5.1.3 Provide Lender with financial statements and other information as reasonably requested regarding the Project.
 - 5.1.4 Commence and pursue the construction of the Project on the Property in accordance with the Homekey Program Round 3 schedule in a good and workmanlike manner in accordance with all applicable laws and approvals for the Project.
- 5.2 **Negative Covenants:** Borrower covenants and agrees not to:
 - 5.2.1 Incur any additional indebtedness on the Property.
 - 5.2.2 Sell, lease, or otherwise dispose of 16857 C Street in the City of Victorville.

6. Conditions Precedent

7. Events of Default

- 7.1 **Events of Default:** The occurrence of any of the following shall constitute an Event of Default:
 - 7.1.1 Borrower's failure to repay the Loan on or before January 19, 2026.
 - 7.1.2 Borrower's breach of any Covenant or obligation contained in this Agreement.
 - 7.1.3 Borrower's insolvency or bankruptcy.

7.2 Remedies: Upon the occurrence of an Event of Default, County has the right to proceed with any and all of remedies set forth in this Agreement, including but not limited to:

7.2.1 The County may declare the entire principal amount of the loan together with all accrued and unpaid interest, to become immediately due and payable. Borrower waives all right to presentment, demand, protest, or notice of protest or dishonor. The County may proceed to enforce payment of the indebtedness and to exercise any or all rights afforded to the County as a creditor [and secured party under the law including the Uniform Commercial Code, including foreclosure under the Deed of Trust]. Borrower is liable to pay the County on demand all reasonable expenses, costs and fees (including, without limitation, reasonable attorneys' fees and expenses) paid or incurred by the County in connection with the collection of the Loan [and the preservation, maintenance, protection, sale, or other disposition of the security given for the Loan].

7.2.2 Specific Performance. The County has the right to mandamus or other suit, action or proceeding at law or in equity to require Borrower to perform its obligations and covenants under this Agreement or to enjoin acts or things that may be unlawful or in violation of the provisions of this Agreement.

7.2.3 Termination. The County has the right to terminate this Agreement and to seek any remedies at law or equity available.

7.2.4 Legal Actions. County may institute legal action to enforce the terms of this Agreement.

8. Miscellaneous

8.1 Amendments. Borrower agrees any alterations, variations, modifications, or waivers of the provisions of this Agreement shall only be valid when reduced in writing, executed and attached to the original Agreement and approved by the person(s) authorized to do so on behalf of the County and Borrower.

8.2 No Assignability. Borrower agrees not to assign this Agreement either in whole or in part.

8.3 Choice of Law and Venue.
This Agreement shall be governed by and construed according to the laws of the State of California. The parties acknowledge and agree that this Agreement was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue of any action or claim brought by any party to this Agreement will be the Superior Court of California, San Bernardino County, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Agreement is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino County, San Bernardino District.

8.4 Improper Influence
Borrower shall make all reasonable efforts to ensure that no County officer or employee, whose position in the County enables him/her to influence the Agreement, shall have any direct or indirect financial interest resulting from the Agreement or shall have any relationship to the Borrower or officer or employee of the Borrower.

8.5 Improper Consideration
Borrower shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Agreement.

The County, by written notice, may immediately terminate this Agreement and call the Loan due if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the County. This prohibition shall apply to any amendment, extension or process once a contract has been awarded.

Borrower shall immediately report any attempt by a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Borrower. The report shall be made to the supervisor or manager charged with supervision of the employee or the County Administrative Office. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

8.6 Legality and Severability

The parties' actions under the Agreement shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. The provisions of this Agreement are specifically made severable. If a provision of the Agreement is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

8.7 Licenses, Permits and/or Certifications

Borrower shall ensure that it has all necessary licenses, permits and/or certifications required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations to construct Project. The Borrower shall maintain these licenses, permits and/or certifications in effect for the duration of this Agreement. Borrower will notify County immediately of loss or suspension of any such licenses, permits and/or certifications. Failure to maintain a required license, permit and/or certification may result in immediate termination of this Agreement and the calling due of the Loan.

8.8 Representation of the County

Borrower, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the San Bernardino County.

8.9 Conflict of Interest

Borrower shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors and the County. Borrower shall make a reasonable effort to prevent employees, contractors, or members of governing bodies from using their positions for purposes that are, or give the appearance of being motivated by a desire for private gain for themselves or others such as those with whom they have family business, or other ties. Officers, employees, and agents of cities, counties, districts, and other local agencies are subject to applicable conflict of interest codes and state law. In the event the County determines a conflict of interest situation exists, any increase in costs, associated with the conflict of interest situation, may be disallowed by the County and such conflict may constitute grounds for termination of the Agreement. This provision shall not be construed to prohibit employment of persons with whom Borrower's officers, employees, or agents have family, business, or other ties so long as the employment of such persons does not result in increased costs over those associated with the employment of any other equally qualified applicant.

8.10 Former County Administrative Officials

Borrower agrees to provide, or has already provided information on former San Bernardino County administrative officials (as defined below) who are employed by or represent Borrower. The information provided includes a list of former County administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of Borrower. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Executive Officer or member of such officer's staff, County department or group head, assistant department or

group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

8.11 Disclosure of Criminal and Civil Procedures

The County reserves the right to request the information described herein from the Borrower. Failure to provide the information may result in a termination of the Agreement. The County also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The Borrower also may be requested to provide information to clarify initial responses. Negative information discovered may result in termination.

Borrower is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Borrower will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the Borrower is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Borrower will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to the County. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

8.12 Prevailing Wage Laws

By its execution of this Agreement, Borrower certifies that it is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq. as well as California Code of Regulations, Title 8, Section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. Section 1720 of the California Labor Code states in part: "For purposes of this paragraph, 'construction' includes work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction including, but not limited to, inspection and land surveying work..." If the Services/Scope of Work are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Borrower agrees to fully comply with such Prevailing Wage Laws. Borrower shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Borrower's/Contractor's principal place of business and at the project site. Borrower/Contractor will also adhere to any other applicable requirements, including but not limited to, those regarding the employment of apprentices, travel and subsistence pay, retention and inspection of payroll records, workers compensation and forfeiture of penalties prescribed in the Labor Code for violations. Borrower shall defend, indemnify and hold the County, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with Prevailing Wage Laws. Borrower shall comply with all applicable terms and conditions in the Prevailing Wage Laws. The applicable general prevailing wage determinations are on file with the County and are available to any interested party on request. Borrower shall post a copy of the applicable prevailing wage determinations at the job site.

8.13 Levine Act - Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439)

Borrower has disclosed to the County using Attachment C – Levine Act - Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439), whether it has made any campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, Auditor-Controller/Treasurer/Tax Collector and the District Attorney] within the earlier of: (1) the date of the submission of Contractor's proposal to the County, or (2) 12 months before the date this Contract was approved by the Board of Supervisors. Contractor acknowledges that under Government Code section 84308, Contractor is prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer for 12 months after the County's consideration of the Contract.

In the event of a proposed amendment to this Contract, the Contractor will provide the County a written statement disclosing any campaign contribution(s) of more than \$500 to any member of the Board of Supervisors or other County elected officer within the preceding 12 months of the date of the proposed amendment.

Campaign contributions include those made by any agent/person/entity on behalf of the Contractor or by a parent, subsidiary or otherwise related business entity of Contractor.

9. Indemnification and Insurance Requirements

9.1 Indemnification

For "design profession services" as defined in Civil Code section 2782.8, the following indemnification paragraph applies: "Borrower shall defend and indemnify County for claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional. This Agreement incorporates by reference the provisions of Civil Code section 2782.8, including, but not limited to, the provisions that concern the duty and cost to defend the County."

For all other services, the following indemnification paragraph applies: The Borrower agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless the County and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising out of this Agreement and the Homekey Program Requirements from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the County on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The Contractor indemnification obligation applies to the County's "active" as well as "passive" negligence but does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code section 2782.

9.2 Additional Insured

All policies, except for Worker's Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the County and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

9.3 Waiver of Subrogation Rights

The Borrower shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Borrower and

Borrower's employees or agents from waiving the right of subrogation prior to a loss or claim. The Borrower hereby waives all rights of subrogation against the County.

9.4 Policies Primary and Non-Contributory

All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

9.5 Severability of Interests

The Borrower agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Contractor and the County or between the County and any other insured or additional insured under the policy.

9.6 Proof of Coverage

The Borrower shall furnish Certificates of Insurance to the County Department administering the Agreement evidencing the insurance coverage at the time the Agreement is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Borrower shall maintain such insurance from the time Borrower executes this Agreement until the Loan is repaid. Within fifteen (15) days of the commencement of this Agreement, the Borrower shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

9.7 Acceptability of Insurance Carrier

Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".

9.8 Deductibles and Self-Insured Retention

Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

9.9 Failure to Procure Coverage

In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to cancel the contract or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by the Borrower or the amount will be added to the principal amount.

9.10 Insurance Review

Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this contract. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

- 9.11 The Borrower agrees to provide insurance set forth in accordance with the requirements herein. If the Borrower uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Borrower agrees to amend, supplement or endorse the existing coverage to do so.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Borrower shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

- 9.11.1 Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the Borrower and all risks to such persons under this contract.

If Borrower has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.

With respect to non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

- 9.11.2 Commercial/General Liability Insurance – The Borrower shall carry General Liability Insurance covering all operations performed by or on behalf of the Borrower providing coverage for bodily injury and property damage with a combined single limit of not less than three million dollars (\$3,000,000), per occurrence. The policy coverage shall include:
- a. Premises operations and mobile equipment.
 - b. Products and completed operations.
 - c. Broad form property damage (including completed operations).
 - d. Explosion, collapse and underground hazards.
 - e. Personal injury.
 - f. Contractual liability.

Continuing Products/Completed Operations Liability Insurance – The Borrower will provide continuing products/completed operations liability Insurance with a limit of not less than one million (\$1,000,000) for each occurrence for at least three years following substantial completion of the work.

- 9.11.3 Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than three million dollars (\$3,000,000) for bodily injury and property damage, per occurrence.

If the Borrower owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

9.11.4 **Umbrella Liability Insurance** – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

9.11.5 **Professional Liability** – Professional Liability Insurance with limits of not less than two million (\$2,000,000) per claim and four million (\$4,000,000) aggregate limits
or

Errors and Omissions Liability Insurance – Errors and Omissions Liability Insurance with limits of not less than one million (\$1,000,000) and two million (\$2,000,000) aggregate limits

If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the state of the contract work. The claims made insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after contract completion.

9.11.6 **Environmental Liability Insurance**

a. Environmental Liability Insurance with a combined single limit of not less than five million (\$5,000,000) per claim or occurrence and a separate aggregate for the contract project. The required additional insured endorsement shall protect the County without any restrictions.

b. If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the start of the contract work. The claims made insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after contract completion.

9.11.7 **Builder’s Risk (Course of Construction)** insurance utilizing an “All Risk” (Special Perils) coverage form, with limits equal to the completed value of the Project and no coinsurance penalty provisions.

9.11.8 **Subcontractor Insurance Requirements** - The Developer agrees to require all contractors and subcontractors, including architects or others it hires or contracts with related to the performance of the construction of the Project to provide insurance covering the contracted operations with the basic specifications for all contracts in Section 9 (including waiver of subrogation rights) and naming the County as an additional insured. The Borrower agrees to monitor and review all such coverage and assumes all responsibility ensuring that such coverage is provided as required herein.

10. Regulatory Agreement

Pursuant to the Homekey Program Requirements, a Regulatory Agreement shall be recorded against the Property in first position which shall be senior only to the County’s Deed of Trust.

The County Deed of Trust shall only be subordinate in lien priority to the Homekey Regulatory Agreement.

11. Property Taxes and Assessments

Borrower shall pay prior to delinquency all real property taxes and assessments levied on or against the Property.

12. Right to Monitor and Audit

- 12.1 The County shall have the right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have absolute right to monitor the performance of Borrower under this Agreement. Borrower shall give full cooperation, in any auditing or monitoring conducted. Borrower shall cooperate with the County in the, monitoring and comply with any and all reporting requirements established by the County and the Homekey Program Requirements.
- 12.2 All records pertaining to the Project and all fiscal, statistical and management books and records shall be available for examination and audit by County representatives for a period of three years after repayment of the Loan or until all pending County audits are completed, whichever is later.

13. County Chief Executive Officer

The County Chief Executive Officer is authorized on behalf of the County to execute the Deed of Reconveyance and Termination of Regulatory Agreement when the Loan is repaid in full.

14. Notices

All written notices provided for in this Agreement or which either party desires to give to the other shall be deemed fully given, when made in writing and either served personally, or by facsimile, or deposited in the United States mail, postage prepaid, and addressed to the other party as follows:

San Bernardino County
Community Development and Housing Dept
560 E. Hospitality Lane, Suite 200
San Bernardino, CA 92415

Family Assistance Center
15075 7th St.
Victorville, CA 9239

Notice shall be deemed communicated two (2) County working days from the time of mailing if mailed as provided in this paragraph.

15. Entire Agreement

This Agreement, including all Exhibits and Attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of this Agreement not expressly set forth herein are of no force or effect. This Agreement is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this Agreement and signs the same of its own free will.

L. ELECTRONIC SIGNATURES

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

IN WITNESS WHEREOF, San Bernardino County and the Borrower have each caused this Agreement to be subscribed by its respective duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

► *Dawn Rowe*

Dawn Rowe, Chair, Board of Supervisors

Dated: AUG 19 2025

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

By *Lynna Monell*
Lynna Monell
Clerk of the Board of Supervisors
of the San Bernardino County

By *[Signature]*



FAMILY ASSISTANCE PROGRAM

(Print or type name of corporation, company, contractor, etc.)

By ► *[Signature]*
(Authorized signature - sign in blue ink)

Darryl Evey

Name _____
(Print or type name of person signing contract)

Title Executive Director
(Print or Type)

Dated: 7/25/2025
15075 7th St.

Address Victorville, CA 92395

FOR COUNTY USE ONLY

Approved by Legal Form
► *Suzanne Bryant*
Suzanne Bryant, Deputy County Counsel
Date August 5, 2025

Reviewed for Contract Compliance
► _____
Date _____

Reviewed and Approved by Department
► *Carrie Harmon*
Carrie Harmon, Director
Date August 5, 2025



ATTACHMENT A

Levine Act –

Campaign Contribution Disclosure

(formerly referred to as Senate Bill 1439)

The following is a list of items that are not covered by the Levine Act. A Campaign Contribution Disclosure Form will not be required for the following:

- Contracts that are competitively bid and awarded as required by law or County policy
- Contracts with labor unions regarding employee salaries and benefits
- Personal employment contracts
- Contracts under \$50,000
- Contracts where no party receives financial compensation
- Contracts between two or more public agencies
- The review or renewal of development agreements unless there is a material modification or amendment to the agreement
- The review or renewal of competitively bid contracts unless there is a material modification or amendment to the agreement that is worth more than 10% of the value of the contract or \$50,000, whichever is less
- Any modification or amendment to a matter listed above, except for competitively bid contracts.

DEFINITIONS

Actively supporting or opposing the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

Contractors must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.

1. Name of Contractor: Family Assistance Program
2. Is the entity listed in Question No.1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?
Yes ☐ If yes, skip Question Nos. 3-4 and go to Question No. 5 No ☐
3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision: _____
4. If the entity identified in Question No.1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s):

5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship

6. Name of agent(s) of Contractor:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district.

Company Name	Subcontractor(s):	Principal and/or Agent(s):

8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name

9. Was a campaign contribution, of more than \$500, made to any member of the San Bernardino County Board of Supervisors or other County elected officer within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No ☐ If no, please skip Question No. 10.

Yes ☐ If yes, please continue to complete this form.

10. Name of Board of Supervisor Member or other County elected officer: _____

Name of Contributor: _____

Date(s) of Contribution(s): _____

Amount(s): _____

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Contract, Contractor certifies that the statements made herein are true and correct. Contractor understands that the individuals and entities listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer while award of this Contract is being considered and for 12 months after a final decision by the County.

EXHIBIT A
COUNTY PROMISSORY NOTE

PROMISSORY NOTE SECURED BY DEED OF TRUST

(Family Assistance Program TAY Tiny Home Village Project)

Principal Amount: Two Million Dollars (\$2,000,000.00)
Date of Note: August 19, 2025
Borrower: Family Assistance Program, a California non-profit corporation
Lender: San Bernardino County, a political subdivision of the State of California
Maturity Date: January 19, 2026
Interest Rate: 3% as stated below in Section 3

FOR VALUE RECEIVED, the undersigned Family Assistance Program, a California non-profit corporation ("Borrower") whose address is 15075 7th Street, Victorville, California, 92395, promises to pay, at the times stated in this Note, to the order of San Bernardino County, a political subdivision of the State of California ("Lender"), a principal amount not to exceed Two Million Dollars (\$2,000,000.00), together with interest on the unpaid principal balance of this Note from time to time outstanding at the rate set forth in Section 3 from the date of the advance until fully paid at:

San Bernardino County
Community Development and Housing Dept
560 E. Hospitality Lane, Suite 200
San Bernardino, CA 92415

or at such other place as Lender may designate to Borrower in writing.

1. Reference to Loan Document. This Note is made by Borrower to the order of Lender pursuant to that certain Bridge Loan Agreement dated as of August 19, 2025 by and between Borrower and Lender ("Loan Agreement").
2. Loan Disbursement. All amounts of Principal to be disbursed under this Note shall be disbursed pursuant to the terms and conditions of the Loan Agreement. Lender shall have no obligation to fund any disbursement under this Notice if a Default of Borrower exists under this Note.
3. Interest. Simple interest on the unpaid principal balance of this Note will accrue from the date of disbursement of the Principal at the rate of 3% per annum calculated on the basis of a 360-day year for the actual number of days elapsed.

4. Payment of Principal and Interest. All Principal and Interest under this Note shall be due and payable on or before January 19, 2026. If the Borrower prepays the Principal on or before January 19, 2026, the accrued Interest will be forgiven.
5. Application of Payments. Each payment under this Note shall be credited in the following order: (a) accrued interest; and then (b) Principal due under this Note.
6. Prepayment. The Principal may be prepaid at Loan in whole or in part at any time before January 19, 2026 without penalty.
7. Secured by Deed of Trust. This Note shall be secured by the Deed of Trust.
8. Interest on Default. From and after a Default or the Maturity Date, the entire unpaid Principal balance of this Note shall automatically accrue interest at the Default Rate.
9. Default. On and following any Default, Lender may, in Lender's sole and absolute discretion, declare this Note (including all accrued interest) due and payable immediately, regardless of the Maturity Date.
10. Collection Costs. Borrower agrees to pay the following costs, expenses, and attorney fees paid or incurred by Lender, or adjudged by a court: (a) reasonable costs of collection and costs, expenses and attorney fees paid or incurred in connection with the collection or enforcement of this Note, whether or not suit is filed; (b) reasonable costs, expenses and attorney fees paid or incurred in connection with representing Lender in any bankruptcy, reorganization, receivership or other proceedings affecting creditors' rights and involving a claim regarding this Note; and (c) costs of suit and such sum as the court may adjudge as attorney fees in any action to enforce or collect payment of all or any part of this Note.
11. Waiver. Borrower, endorsers and all other persons liable or to become liable on this Note waive presentment, protest, demand, notice of protest, demand and dishonor, and all other notices or matters of a like nature. No extension of time for payment of this Note made by agreement between the Lender and any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability of Borrower under this Note, either in whole or in part. The provisions of this Note and the obligations of Borrower under this Note shall be absolute and Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.
12. Forbearance Not a Waiver. If Lender delays in exercising or fails to exercise any of Lender's rights under this Note, that delay or failure shall not constitute a waiver of any Lender rights or of any breach, Default or failure of condition under this Note. No waiver by Lender of any of Lender's rights or of any such breach, Default or failure of condition

shall be effective, unless the waiver is expressly stated in a separate writing signed by Lender.

13. **Governing Law.** This Note shall be construed and enforceable according to the laws of the State of California for all purposes, without application of conflicts of laws principles.
14. **Principles of Interpretation.** No inference in favor of or against either Lender or Borrower shall be drawn from the fact that such Person has drafted any part of this Note. Both Lender and Borrower have both participated substantially in the negotiation, drafting, and revision of this Note, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Note may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all language in this Note. The words "include" and "including" in this Note shall be construed to be followed by the words: "without limitation." Each collective noun in this Note shall be interpreted as if followed by the words "(or any part of it)," except where the context clearly requires otherwise. Every reference to any document, including this Note, refers to such document, as modified from time to time (excepting any modification that violates this Note), and includes all exhibits, schedules, addenda and riders to such document. The word "or" in this Note includes the word "and." Every reference in this Note to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.
15. **Severability.** If any provision of this Note, or the application of it to any Person or circumstance, is held void, invalid, or unenforceable by a court of competent jurisdiction, the remainder of this Note, and the application of such provision to other Persons or circumstances, shall not be affected thereby, the provisions of this Note being severable in any such instance.
16. **Acknowledgment.** PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTANDS ALL OF THE PROVISIONS OF THIS NOTE AND HAS CONSULTED WITH LEGAL COUNSEL OF THE BORROWER'S INDEPENDENT SELECTION REGARDING BORROWER'S OBLIGATIONS UNDER THIS NOTE. BORROWER AGREES TO THE TERMS AND CONDITIONS OF THIS NOTE AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE.

[Remainder of page intentionally blank.]

17. Incorporation of Defined Terms. All terms, phrases and words indicated to be defined terms by initial capitalization in this Note that are not specifically defined in this Note shall have the meaning ascribed to the same term, phrase or word, respectively, in the Loan Agreement or, if not defined in the Loan Agreement, the meaning ascribed to the same term, phrase or word, respectively, in the County Deed of Trust.

Executed at San Bernardino California, on the 25th day of July, 2025.

BORROWER:

FAMILY ASSISTANCE PROGRAM,
A California non-profit corporation

By: 

Darryl Evey

Its: Executive Director

EXHIBIT B
COUNTY DEED OF TRUST

Recording requested by:

San Bernardino County

And when recorded, mail to:

San Bernardino County
Community Development
and Housing Department
560 East Hospitality Lane, Suite 200
San Bernardino, CA 92415

NO FEE RECORDING PURSUANT
TO GOVERNMENT CODE SECTION
6103

For recorder's use

DEED OF TRUST AND ASSIGNMENT OF RENTS SECURING A PROMISSORY NOTE

This Deed of Trust is made as August 19, 2025, between Family Assistance Program, a California non-profit corporation, whose address is 15075 7th Street, Victorville, California, 92395, as the Trustor, AmeriNat, a California Corporation, as the Trustee, and San Bernardino County, whose address is 560 East Hospitality Lane, Suite 200 San Bernardino, CA 92415 as the Beneficiary.

For Good and Valuable Consideration, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Trustor hereby irrevocably grants, transfers, conveys and assigns to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter set forth, Trustor's fee interest in the property generally located at 16857 C Street, Victorville, San Bernardino County, State of California, that is described in the attached Exhibit A, incorporated herein by this reference (the "Property"), is herein referred to as the "Security" to have and to hold the Security together with acquittances to the Trustee, its successors and assigns forever.

FOR THE PURPOSE OF SECURING THE FOLLOWING OBLIGATIONS (collectively the "Secured Obligations"):

- a) the indebtedness evidenced by a Promissory Note of the same date executed by Trustor, in the sum of \$2,000,000.00.
- b) The performance of each obligation, covenant or agreement contained in this Deed of Trust, the Promissory Note, and the Bridge Loan Agreement of the same date.

To protect the security of this Deed of Trust, Trustor agrees:

- a) **CONDITION OF PROPERTY** – To keep the property in good condition and repair; to complete and restore any building which may be constructed, damaged or destroyed; to comply with all laws affecting the property or requiring any alterations or improvements to be made; not to commit or permit waste; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of the property may be reasonably necessary.
- b) **HAZARD INSURANCE** – Trustor will continuously maintain hazard insurance against loss by fire, hazards included within the term "extended coverage," and any other hazards for which Beneficiary requires insurance. The insurance will be maintained in

the amounts and for the periods Beneficiary requires. The insurance carrier providing the insurance will be chosen by Trustor, subject to Beneficiary's approval, which will not be unreasonably withheld. All insurance policies will be acceptable to Beneficiary, and contain loss payable clauses acceptable to Beneficiary. Beneficiary will have the right to hold policies and renewals.

- c) In the event of loss, Trustor will give prompt notice to the insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Trustor. Beneficiary may place the proceeds in a non-interest bearing account to be used for the cost of reconstruction of the damaged improvements. If Trustor fails to reconstruct, Beneficiary may receive and apply the loan proceeds to the principal debt hereby secured, without a showing of impairment.
- d) **ATTORNEY FEES** – To appear in and defend any action or proceeding purporting to affect the security, or the rights and powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidencing title and attorney fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.
- e) **TAXES AND SENIOR ENCUMBERANCES** – To pay at least 10 days before delinquency: all taxes and assessments affecting the property, all encumbrances, charges and liens, with interest, on the property which are or appear to be senior to this Deed of Trust; and all expenses of this Deed of Trust.
- f) **ACTS AND ADVANCES TO PROTECT THE SECURITY** – If Trustor fails to make any payment or to perform any act provided for in this Deed of Trust, then Beneficiary or Trustee may, without obligation to do so, and with or without notice or demand upon Trustor, and without releasing Trustor from any obligation under this Deed of Trust:

Make or do the same to the extent either deems necessary to protect the security, Beneficiary or Trustee being authorized to enter upon the property to do so;

Appear in or commence any action or proceeding purporting to affect the security, or the rights or powers of Beneficiary or Trustee;

Pay, purchase, contest or settle any encumbrance, charge or lien that appears to be senior to this Deed of Trust.

In exercising the power of this provision, Beneficiary or Trustee may incur necessary expenses, including reasonable attorney fees.

Trustor shall immediately pay all sums expended by Beneficiary or Trustee provided for in this Deed of Trust, with interest from date of expenditure at the same rate as the principal debt hereby secured.

- g) **ASSIGNMENT OF RENTS** – Trustor hereby assigns and transfers to Beneficiary all right, title and interest in rents generated by the property, including rents now due, past due, or to become due under any use of the property, to be applied to the obligations secured by this Deed of Trust.
Prior to a default on this Deed of Trust by Trustor, Trustor will collect and retain the rents.

On default by Trustor, Beneficiary will immediately be entitled to possession of all unpaid rents.

- h) **ACCELERATION** – If payment of any indebtedness or performance of any agreement secured by this Deed of Trust is in default, Beneficiary may at Beneficiary's option, with or without notice to Trustor, declare all sums secured immediately due and payable by:

Commencing suit for their recovery or for foreclosure of this Deed of Trust
Delivering to Trustee a written notice declaring a default with demand for sale; a written Notice of Default and election to sell to be recorded by Trustee.

- i) **TRUSTEE'S SALE** – On default of any obligation secured by this Deed of Trust and acceleration of all sums due, Beneficiary may instruct Trustee to proceed with a sale of the secured property under the power of sale granted herein, noticed and held in accordance with California Civil Code §2924 et seq.

RECONVEYANCE – Upon written request from Beneficiary stating that all sums secured by this Deed of Trust have been paid, surrender of this Deed of Trust and the note to Trustee for cancellation, and payment of Trustee's fees, Trustee will reconvey the property, without warranty held under this Deed of Trust.

SUCCESSORS, ASSIGNS AND PLEDGEEES – This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary will mean the holders and owner of the secured note, or, if the note has been pledged, the pledgee.

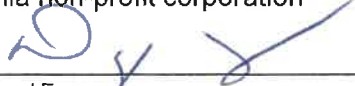
TRUSTEE'S FORECLOSURE NOTICES – The undersigned Trustor(s) requests a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to Trustor at the address herein set forth.

By the execution and delivery of this Deed of Trust that Trustor will observe and perform said provisions and the provisions (1) to (14), inclusive (set forth in Exhibit B), of the fictitious deed of trust recorded in San Bernardino County on October 23, 1961, in Book 5567 Page 61, which provisions are incorporated herein and made apart hereof as fully as though set forth herein at length; that Trustor will observe and perform said provisions; and that the references to property, obligations and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the first date written above.

TRUSTOR:

FAMILY ASSISTANCE PROGRAM,
A California non-profit corporation

By: 
Name: Darryl Evey
Its: Executive Director
Date: 7/25/2025

ACKNOWLEDGMENT

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

State of California
County of San Bernardino

On July 25, 2025 before me, Cynthia Perez Sandoval- Notary Public
(insert name and title of the officer)

personally appeared Darryl Evey,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Cynthia Perez S (Seal)



EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT A - LEGAL DESCRIPTION

Real property in the City of Victorville, County of San Bernardino, State of California, described as follows:

PARCEL "B" OF LOT LINE ADJUSTMENT NO. LA-3-98 RECORDED FEBRUARY 4, 1999 AS INSTRUMENT NO. 99-46451 OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

LOTS 1 THROUGH 8 AND THE NORTHEASTERLY 6.00 FEET OF LOT 9, IN BLOCK 16, OF THE TOWN OF VICTOR, IN THE CITY OF VICTORVILLE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 35 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 0478-224-08-0-000