

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Homekey Program  
Department of Housing and  
Community Development  
P.O. Box 952052  
Sacramento, CA 94252-2052

APN(s) 0134-093-10-0-000;  
0134-093-11-0-000; 0134-093-44-0-000

SPACE ABOVE FOR RECORDER'S USE ONLY  
Exempt from recording fees under Govt Code 6103 & 27383

## DECLARATION OF RESTRICTIVE COVENANTS

This Declaration of Restrictive Covenants ("**Declaration**"), dated March 10, 2026 by SAN BERNARDINO COUNTY, a political subdivision of the State of California, and all of its successors and assigns ("**Owner**," or, where indicated by context, "**County**"), is hereby made in favor of the DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT ("**Department**" or "**HCD**"). As the direct beneficiary of this Declaration, the Department has the right, but not the duty, to enforce any part of this Declaration, in the exercise of its sole and absolute discretion, against the Owner in the event of the Owner's breach, default, or other non-compliance under this Declaration.

### RECITALS

A. Capitalized terms used but not defined in these recitals are as defined in Section 2 of this Declaration.

B. The Department issued a Notice of Funding Availability ("**NOFA**") for the Homekey Program, pursuant to California Health and Safety Code section 50675.1.1 ("**Homekey Program**"), on July 16, 2020 and amended it on June 28, 2022. The NOFA incorporates by reference the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code) (the "**MHP Program**"), as well as the MHP Final Guidelines, dated June 19, 2019, both as amended and in effect from time to time ("**MHP Guidelines**").

C. Owner has acquired title to and owns that certain real property located at 450 North G Street, in the City of San Bernardino, County of San Bernardino, State of California (Assessor Parcel Numbers 0134-093-10-0-000; 0134-093-11-0-000; and 0134-093-44-0-000), as legally described on Exhibit A attached hereto and incorporated herein by reference ("**Real Property**"). As of the date of recordation of this Declaration, the Real Property is the site of a former seventy-six (76) unit hotel, which facility has been rehabilitated to provide seventy-six (76) units of Permanent Housing for the Target Population and one (1)

manager's unit (collectively, the "**Development**"). The Real Property and the Development are referred to in this Declaration as the "**Property**."

D. Owner will own and operate the Property as Permanent Housing in accordance with the Program Requirements, as defined herein, and will observe the core components of Housing First, as specified under Welfare and Institutions Code section 8255, subdivision (b).

E. This Declaration is being recorded to establish a use restriction of not less than ten (10) years against the fee title to the Property.

**NOW, THEREFORE**, in consideration of the foregoing premises, the Department's contribution of additional funds towards the rehabilitation of the Property and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner hereby covenants, agrees and declares that the Property shall be owned, held, leased, encumbered, used, maintained, and transferred pursuant to the following restrictive covenants, conditions, restrictions, and limitations ("**Covenants**"). Such Covenants shall be binding upon all of Declarant's successors, assigns and transferees to or of the Property, and upon all lessees, tenants, lenders, contractors, agents, and persons claiming an interest in the Property, or claiming an interest by or through any of the foregoing.

## **COVENANTS**

1. **Recitals.** The recitals set forth above are hereby incorporated in full into and form a part of this Declaration.

2. **Definitions.** When used in this Declaration, the following terms have the following meanings:

- (a) "**30% AMI Household**" means a household whose Adjusted Income does not exceed 30% of Area Median Income.
- (b) "**Actual Household Size**" means the actual number of persons in the applicable household.
- (c) "**Adjusted Income**" means with respect to the household occupying a Unit, the income from all persons in the household including nonrelated individuals, calculated using the methods to calculate income adopted by HCD in accordance with the Homekey Program.
- (d) "**Area Median Income**" or "**AMI**" means the median gross yearly income, adjusted for Actual Household Size as specified herein, in the City of San Bernardino, California as published from time to time by HUD. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, the County shall provide other income determinations that are

reasonably similar with respect to methods of calculation to those previously published by HUD.

- (e) **“At Risk of Homelessness”** means an individual or household that is at risk of homelessness, as defined in Part 578.3 of Title 24 of the Code of Federal Regulations. A household that is At Risk of Homelessness must qualify as a 30% AMI Household in order to be income-eligible for a Unit.
- (f) **“Effective Date”** means the date this Declaration is recorded in the Official Records of the County of San Bernardino in the State of California.
- (g) **“Fiscal Integrity”** is defined in accordance with Section 7301(j) of the MHP Guidelines.
- (h) **“Homeless”** means individuals and families who are experiencing homelessness, as defined in Part 578.3 of Title 24 of the Code of Federal Regulations. A household that is Homeless must qualify as a 30% AMI Household in order to be income-eligible for a Unit, except under modifications approved by HCD pursuant to 3.4(b).
- (i) **“HUD”** means the United States Department of Housing and Urban Development.
- (j) **“Permanent Housing”** means housing, dwellings, or other living accommodations where the landlord does not limit the tenant’s length of stay or restrict the tenant’s movements and where the tenant has a lease and is subject to the rights and responsibilities of tenancy pursuant to California Civil Code section 1940.
- (k) **“Program Requirements”** means all of the following:
  - a. the NOFA;
  - b. the Homekey Program;
  - c. the MHP Program;
  - d. the MHP Guidelines;
  - e. the Uniform Multifamily Regulations (Cal. Code Regs., tit. 25, § 8300 et seq.), effective November 15, 2017, and as subsequently amended, except to the extent that any UMR provision would be inconsistent with the provisions of the NOFA (the **“UMRs”**);
  - f. the federal Coronavirus Aid, Relief, and Economic Security Act (Public Law No. 116-136) and all related federal guidance (**“CARES Act”**); and
  - g. all applicable local, state, and federal law.
- (l) **“Supportive Services”** means social, health, educational, income support, employment, and housing stability services and benefits; coordination of community building and educational activities; individualized needs assessment and case

management; and individualized assistance with obtaining services and benefits.

- (m) **"Target Population"** means individuals and families who are Homeless or At Risk of Homelessness.
- (n) **"Term"** means the term of this Declaration, which commences on the Effective Date of this Declaration and expires not less than ten (10) years therefrom, and any extension thereof.
- i. During the Term, Owner shall make commercially reasonable efforts to obtain additional financing to enable the Owner to operate the Property as Permanent Housing for the Target Population, in accordance with the rent limits specified at Section 3.4(a) of this Declaration, beyond the initial 10-year Term, up to a maximum Term of fifty-five (55) years from the Effective Date.
  - ii. Where an additional tranche of funding is secured, the Term shall be extended for that period of time that the Development's Fiscal Integrity is supported by the additional funding, as determined by the Department and Owner in the exercise of their reasonable discretion.
  - iii. With any such extension of the Term, Owner shall sign and record a modification to this Declaration for recordation in the Official Records of San Bernardino County. Owner shall provide the Department written notice of any such extension of the Term, as well as a conformed copy of the recorded Declaration, as modified.
- (o) **"Unit"** means one (1) or all of seventy-six (76) units in the Property. The manager's unit at the Property is not considered a Unit.

### **3. Affordability and Occupancy Covenants.**

**3.1 Occupancy Requirements.** During the Term, the seventy-six (76) Units will be occupied by, or, if vacant, available for occupancy by the Target Population. A unit mix chart appears as Exhibit B, which is attached hereto and incorporated herein by reference.

**3.2 Accessibility.** Throughout the Term and subject to the terms of the Side Agreement for such time as that is effective, Owner shall ensure compliance with all applicable state and federal building codes and standards, as well as with all design and accessibility laws. Without limiting the generality of the foregoing, Owner shall further ensure that the Development is in compliance with the following housing and building accessibility requirements:

- (a) California Building Code Chapters 11A and 11B;
- (b) the Fair Housing Act (42 U.S.C. § 3601 et seq.) and its implementing regulations at 24 Code of Federal Regulations part 100, and the ANSI A117.11986 design

and construction standard incorporated by reference at 24 Code of Federal Regulations part 100.201a;

- (c) the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.) and its implementing regulations at 28 Code of Federal Regulations part 35 (Title II) and part 36 (Title III);
- (d) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and its implementing regulations at 24 Code of Federal Regulations part 8; and
- (e) the Uniform Federal Accessibility Standards (UFAS) at 24 Code of Federal Regulations part 40, or, in the alternative, the 2010 ADA Standards for Accessible Design.

**3.3 Tenant Selection.** Referrals to Units shall be made through the local Coordinated Entry System (“**CES**”). All referral protocols for Units shall be developed in collaboration with the local Continuum of Care and implemented consistent with the Program Requirements.

#### **3.4 Rent Standards and Income Limits.**

- (a) Rent limits for initial occupancy, and for each subsequent occupancy, of a Unit shall not exceed thirty percent (30%) of thirty percent (30%) of AMI or such Unit's designated income eligibility level if approved by the Department pursuant to 3.4(b) below.
- (b) If any project assistance is terminated or exhausted and such event materially jeopardizes the Fiscal Integrity of the Property, the Owner shall notify the Department in writing immediately. The Owner will make every effort to find alternative subsidies or financing structures that will maintain the availability of Units to the Target Population at the rent limits specified herein. Upon documenting to the Department's reasonable written satisfaction the Owner's unsuccessful efforts to identify and obtain such alternative resources, then (A) the rent may be increased in such increments as necessary to ensure Fiscal Integrity in accordance with Program Requirements, including without limitation Section 7312 of the MHP Guidelines, until such time as such alternative subsidies or financing are obtained, and (B) Owner shall make its best efforts to find alternative subsidies or financing structures that would maintain rent standards for the Target Population in accordance with Section 3.4(a).

#### **3.5 Nondiscrimination and Fair Housing Requirements.**

- (a) To the furthest extent applicable, the Owner must comply with all relevant laws pertaining to fair housing, nondiscrimination, and equal opportunity, including, without limitation, the California Fair Employment and Housing Act (Gov. Code, §

12900 et seq.); the Unruh Civil Rights Act (Civ. Code, § 51); Government Code section 11135 (the prohibition of discrimination in state-funded programs); Government Code section 8899.50 (the duty to affirmatively further fair housing); California's Housing Element Law (Gov. Code, § 65583 et seq.); California Code of Regulations, title 2, sections 12264 – 12271 (legally permissible consideration of criminal history information in housing); Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.); the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.); the Fair Housing Act (FHA) and amendments (42 U.S.C. § 3601 et seq.); the Fair Housing Amendments Act of 1988; Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794); the Architectural Barriers Act of 1968 (42 U.S.C. § 4151 et seq.); the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101 – 6107); and all federal and state regulations implementing these laws.

- (b) Owner shall adopt a written nondiscrimination policy that is consistent with the laws specified in Section 3.5(a), as the same may be amended from time to time.
- (c) Without limiting the generality of the foregoing, Owner shall not discriminate against any applicants for tenancy or program participation on the basis of source of income or rent payment.

#### **4. Management Responsibility; Maintenance and Repair; Supportive Services.**

**4.1 Management Responsibility.** Owner is responsible for all management functions with respect to the Property, including screening and selection of tenants, and processing of evictions and terminations. Owner shall retain a professional property management company, approved by the Department in its reasonable discretion, to perform its management duties hereunder. Any change of the professional property management company is subject to review and approval by the Department in the exercise of its reasonable discretion.

If the County, or any successor in interest to the County is retaining a professional property management company, then the Department shall not withhold its approval if the successful bidder (a) is a corporation based in the State of California that is in active good standing with the California Secretary of State; (b) has as its primary business the operation and management of projects such as the Property or other publicly funded affordable housing developments; (c) has at least three (3) years' experience operating and managing projects such as the Property; and (d) does not have a poor track record of performance with respect to the Department's portfolio, as verified in writing by the Department, which shall be provided no later than 10 business days from the date the County submits for approval of the management agent.

Owner shall provide the Department with the contact information for the property management company. Owner shall cause the Property to be managed by an experienced

management agent with an ability to operate residential facilities like the Property in a manner that will provide decent, safe, and sanitary housing. If the Department determines that the professional management company is not complying with the requirements of the Declaration with respect to the Property, the Department may demand that Owner retain a different professional management company.

**4.1.1 Management Plan.** Owner shall develop and implement a written management plan that is consistent with Housing First best practices and that includes the following:

- i. Owner's tenant screening, selection and recertification policy and process;
- ii. Owner's nondiscrimination policy, as referenced above; and
- iii. Owner's reasonable accommodation policy, which shall comply with state and federal law, including California Code of Regulations, title 2, sections 12176 – 12185.

**4.2 Maintenance and Repair.** Owner agrees at all times during the Term:

- a. To keep the Property in decent, safe, sanitary, tenantable condition and repair, and to permit no material waste thereof;
- b. Without limiting the generality of the foregoing, to repair and maintain all accessibility features; and to deliver, repair, and maintain accessibility features provided as a reasonable modification to tenants with disabilities;
- c. Not to commit or suffer to be done or exist on or about the Property any condition causing the Property to become materially less valuable, except in accordance with these Covenants;
- d. Not to construct any buildings or improvements on the Property, other than the buildings and improvements contemplated as part of the Property; or add to, remove, demolish or structurally alter any buildings or improvements now or hereinafter located on the Property;
- e. To promptly repair, restore or rebuild any buildings or improvements on the Property that may be materially damaged or destroyed while subject to this Declaration;

- f. To comply with all applicable laws affecting the Property and all other Program Requirements, and not to suffer or permit any violations thereof, nor of any material covenant, condition or restriction affecting the Property;
- g. To comply with the requirements of all covenants recorded against the Property provided same do not conflict with the terms of this Declaration;
- h. Not to initiate or acquiesce in any change in any zoning or other land use or legal classification or entitlement which affects any of the Property without the Department's prior written consent; and
- i. Not to alter the use of all or any part of the Property without the Department's prior written consent.

#### **4.3 Supportive Services.**

- a. For not less than the first year of the Term, the Owner agrees to ensure the delivery of onsite Supportive Services by a County-approved services provider ("**Services Provider**") as follows:

- i. *Supportive services* will include, but are not limited to: Case management – case managers will connect tenants to all available services and work with tenants to develop an individualized service plan ("**ISP**"). Case managers will meet with tenants at least once per month or more, as outlined in the tenant's ISP.

- ii. *Behavioral health services* – tenants will be linked to behavioral health services through the lead service provider, Services Provider or another community behavioral health agency. Services provided will include individual therapy, group therapy, and psychiatric medicine support.

- iii. *Physical health services* – tenants will be linked to care through their primary care physician or a community health clinic. Supportive Services staff will help tenants access off-site resources for physical health care.

- iv. *Assistance obtaining benefits and essential documentation* – helping tenants access benefit programs including medical benefits, food assistance, financial aid, and disability income.

- v. *Life skills for daily living, rehabilitation, and independence* – life skills training including money management, time management, positive self-care and behavior, relationship building, and social-emotional skills and harm reduction techniques.

- b. Throughout the Term, the Owner shall make best efforts to maintain the ongoing delivery of Supportive Services to the Target Population. Such efforts shall include,

without limitation, the Owner's application to all available and relevant Department programs (e.g., Homeless Housing, Assistance and Prevention) for funding to sustain the uninterrupted delivery of Supportive Services. Owner's submittals of the Homekey Program and Expenditure Report, discussed below in Section 24, shall identify all relevant applications that Owner has made to Department programs, during the previous year, for purposes of securing funding for its delivery of Supportive Services. Owner's failure to apply for available Department funding during the relevant reporting period shall be cause for declaring a default under this Declaration.

**4.4 Use of Funds.** Owner shall use all funds received with respect to the Property in accordance with the Program Requirements.

**5. Restrictions on Sale, Encumbrance, and Other Acts.**

- a. Owner shall not, except with the Department's prior written consent, make any sale, encumbrance, hypothecation, assignment, refinancing, pledge, conveyance, or transfer (each a "**Transfer**") of the Property, the Development, or of any portion thereof or interest therein, which consent may be conditioned or withheld in the Department's reasonable discretion. For purposes of this Section 5, the term Transfer does not include: (1) a master lease to : (i) a corporation, partnership or limited liability company based in the State of California that is in active good standing with the California Secretary of State, (ii) has as its primary business the ownership, operation and management of projects such as the Property or other publicly funded affordable housing developments; (iii) has or is controlled by a corporation that has at least three (iii) years' experience owning, operating and managing projects such as the Property; and (d) does not have a poor track record of performance with respect to the Department's portfolio, as verified in writing by the Department; (2) to the County Housing Authority of San Bernardino County, or any special purpose entity controlled by the County or the Housing Authority; (3) any lease to an eligible tenant.
- b. With respect to Transfers that involve the conveyance of title to the Property, the Department will be deemed to have approved the proposed Transfer if it does not disapprove such proposed Transfer within thirty (30) business days of acknowledging to Owner, in writing, that it has received, in accordance with Section 16 below, both notice of the proposed Transfer and a complete informational package in support of that proposed Transfer.
  - i. The informational package shall be deemed complete only if it includes all of the following:
    - (A) A cover notice that sets forth, in full, the language at subsection b. immediately preceding.

- (B) The identity of the proposed transferee, along with an organizational chart showing any and all sub-tier entities comprising the transferee and/or its control persons.
  - (C) Current organizational documents, including any amendments thereto, related to the proposed transferee and the other persons in clause (B) immediately preceding.
  - (D) Financial documentation that sufficiently and accurately discloses the current financial condition of the proposed transferee.
  - (E) A written certification as to whether the proposed transferee, or any affiliated entity, has ever applied for Department funding and, if so, the name(s) of the involved project(s).
  - (F) A brief, written description of the proposed transferee's experience and capacity to own and operate projects like the Property.
  - (G) A brief, written description of the material terms of the proposed Transfer, together with copies of any and all proposed documentation related thereto.
- c. All other Transfers shall be subject to the Department's prior written consent without reference to subsection b. immediately preceding. Such consent may be conditioned or withheld in the Department's reasonable discretion.
- d. Any and all Transfers shall be subject and subordinate to the lien and encumbrance of this Declaration.

**6. Charges; Liens.** Owner shall pay all real property taxes, assessments, liens and other charges, fines and impositions attributable to, levied against or encumbering the Property or the Development, by Owner making full and timely payment, when due, directly to the payee thereof. Owner shall promptly furnish to the Department all notices of such amounts due, and where Owner makes direct payments, Owner shall promptly furnish to the Department its receipts evidencing such payments. Owner shall fully and timely pay when due all encumbrances, charges, and liens on the Property or the Development, and shall make payments on notes or other obligations secured by an interest in the Property or in the Development, with interest in accordance with the terms thereof. Owner shall have the right to contest in good faith any claim or lien, or payment due thereunder, so long as Owner does so diligently and without prejudice to the Department.

**7. Building Permits.** Owner agrees not to apply for or accept any permits for the construction, repair or maintenance, as applicable, of improvements on the Property that are inconsistent with the lawful rehabilitation and/or operation of the Development in accordance with the Program Requirements and as approved by the Department.

**8. Hazard and Liability Insurance and Condemnation; Indemnity.**

**8.1 Hazard and Liability Insurance and Condemnation.** Owner shall keep the Property and the Development insured against loss by fire and such other

hazards, casualties, liabilities and contingencies, and in such amounts and for such periods as required by the Department. During any construction, insurance shall include standard policies including builder's risk coverage. All insurance policies and renewals thereof shall be issued by a carrier and in a form acceptable to the Department. Owner shall provide proof of such insurance to the Department at all times upon request by the Department. This section is inapplicable if and to the extent the Owner is self-insured, as demonstrated in writing upon request by the Department.

**8.2 Indemnity.** Owner agrees for itself and its successors and assigns to indemnify, defend, and hold harmless the Department, and its appointees, officers, members, officials, employees, agents, volunteers, and representatives (collectively, the "**Indemnitees**"), from and against any loss, liability, claim, or judgment relating in any manner to the Property and this Declaration excepting only any such loss, liability, claim, or judgment to the extent arising out of the gross negligence or willful misconduct of the Indemnitees. Notwithstanding the foregoing, Owner shall not be obligated to indemnify, defend, and hold harmless the Indemnitees with respect to any matter that arose prior to the Effective Date.

**9. Covenants Run with the Land.** The Property is held and hereafter shall be held, transferred, conveyed, hypothecated, encumbered, leased, rented, used and occupied subject to these Covenants. The foregoing Covenants are intended to constitute both equitable servitudes and covenants running with the land. Owner expressly acknowledges and agrees that the Covenants are reasonable restraints on Owner's right to own, use, maintain, and transfer the Property and any estate or interest therein and are not and shall not be construed to be an unreasonable restraint on alienation. Each and every contract, deed or other instrument hereafter executed covering or conveying or encumbering the Property, or any portion thereof, shall be held conclusively to have been executed, delivered, and accepted subject to such Covenants, regardless of whether such Covenants are set forth in such contract, deed, or other instrument.

**10. Binding Effect.** Any purchaser, encumbrancer, or lessee of the Property or of any portion thereof or interest therein, by the acceptance of the deed, lease, mortgage, deed of trust, agreement, or other instrument, whether from Owner or from any subsequent owner of the Property, or by the signing of a contract or agreement to purchase the Property, shall by the acceptance of such deed, lease, mortgage, deed of trust, agreement, or other instrument, or by the signing of such contract or declaration, be deemed to have consented to and accepted all Covenants and obligations set forth in this Declaration.

**11. Default, Remedies.**

In the event of any material breach, violation, or default by County, the Department may give written notice (a "Default Notice") to County to cure the breach, violation, or default. If the breach, violation, or default is not cured to the Department's satisfaction within a reasonable

time, as determined by the Department in its reasonable discretion, and such failure having continued uncured for thirty (30) days after receipt of a Default Notice from the HCD, if the breach cannot be cured within thirty (30) days, County shall not be in breach so long as County is diligently undertaking to cure such breach and such breach is cured within one hundred twenty days (120) days or such longer period as approved in writing by HCD at its sole discretion. Upon expiration of the cure periods after a Default Notice is sent, HCD shall be entitled to the following remedies: (a) a suit for specific performance; (b) the HCD's recoupment of the HCD Funding Contribution from the County, which amount shall be reduced by 1/10 of the HCD Funding Contribution or \$196,730 for each year that the County meets the terms of this Declaration as specified in Section 12 of the Side Agreement, and (c) injunctive relief where the default concerns tenant selection, income limits, and/or rent standards.

**12. [Reserved.]**

**13. Retention of Records, Review, Inspection, and Audit.**

- a.** Owner is responsible for maintaining records which fully disclose the activities at the Property (e.g., repairs, tenant selection, delivery of Supportive Services, maintenance). Owner shall retain all such records for the Term of this Declaration unless a longer retention period is stipulated. If any litigation, claim, negotiation, audit, monitoring, inspection, or other action commences during this required retention period, then all records must be retained until a full and final resolution of the action.
- b.** At any time during the Term of this Declaration and upon reasonable prior written notice, which notice shall be not less than 48 hours if Department intends to enter upon occupied Units, the Department or its designee may, but is not obligated to, enter and inspect the Property, and inspect, obtain, and copy all records pertaining to the construction, rehabilitation, operation, repair, and maintenance of the Property, subject to the rights of any tenants or occupants in the Property. Upon request by the Department, the Owner shall notify occupants of upcoming inspections in accordance with state law.
- c.** The Department may, but is not obligated to, request any other information that it deems necessary to confirm compliance with this Declaration. Owner shall provide such requested information to the extent reasonable under the circumstances within fourteen (14) calendar days of written request for the information.
- d.** The Department shall not, by the fact of making or not making any entries or inspections, or by taking or failing to take any action in response thereto: **(i)** incur or undertake, or be deemed to incur or undertake, any obligation, duty, or liability whatsoever, whether to Owner or to any other person or entity; **(ii)** be deemed as approving or disapproving any matter, action, incident, or

condition related to the Property or the Development; or (iii) be deemed as approving or disapproving any matter related to the compliance of the Property or the Development with the Program Requirements, this Declaration, or other applicable laws. In no event or circumstance shall the Department's exercise or non-exercise of its discretion under this paragraph constitute, or be deemed or interpreted as constituting, any termination, limitation, alteration, or waiver of any right, benefit, or remedy under or with respect to this Property or this Declaration.

- e. At any time during the Term of this Declaration, the Department may perform or cause to be performed a financial audit of any and all phases of the Development. If there are audit findings, the Owner shall submit a detailed response to the Department for each audit finding. If the Department determines, in its reasonable discretion, that the response is satisfactory, then the Department will conclude the audit process and notify the Owner in writing. If the Department determines, in its reasonable discretion, that the response is not satisfactory, then the Department will contact the Owner, in writing, and explain the action required to cure any audit deficiencies.
- f. If so directed by the Department upon the termination or expiration of this Declaration, the Owner shall deliver all records, accounts, documentation, and other materials that are relevant to this Declaration to the Department as depository.

**14. Owner Representations.**

As of the Effective Date:

**14.1** Owner represents and warrants to the Department that: (a) Owner owns the Property and intends to support the operation of the Development in accordance with the Program Requirements and this Declaration; and (b) to Owner's actual knowledge and belief, there are no agreements, contracts, covenants, conditions, or exclusions to which Owner is a party, or by which it is bound, which would, if enforced, prohibit or restrict the use of the Property in accordance with the terms of this Declaration.

**14.2** Owner represents and warrants to the Department that it has the full right and authority to enter into this Declaration.

**14.3** Owner represents to the Department that this Declaration constitutes a valid and legally binding obligation on Owner and it is enforceable in accordance with its terms.

**15. Amendment, Modification, Waiver, and Release.** This Declaration shall not be amended, modified, waived or released without the prior and express written consent of an authorized representative of the Department. Any such amendment, modification, waiver, or release must be executed by the parties, be in recordable form, and be recorded in the

Official Records of the County of San Bernardino upon full execution. The Department may withhold, condition, or delay its consent to any such modification, amendment, waiver or release in its reasonable discretion. Any amendment, modification, waiver, or release without the prior and express written consent of the Department shall be null and void.

**16. Notice.** Any notice, report, or other communication required or permitted to be given hereunder shall be made in writing and shall be given by personal delivery, certified or registered mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties hereto. Any notice, report, or other communication required or permitted to be given hereunder shall also be given by electronic mail at the electronic mail addresses set forth below.

Owner: County of San Bernardino  
c/o Community Development and Housing  
560 E. Hospitality Lane, Suite 200  
San Bernardino, CA 92415-0043  
Attn: Director

Department: Homekey Program  
Department of Housing and  
Community Development  
P.O. Box 952052  
Sacramento, CA 94252-2052  
multifamilygrants@hcd.ca.gov

The notice shall be deemed given three (3) business days after the date of mailing, or, if personally delivered, when received.

**17. Construction.** This Declaration shall be construed according to its fair meaning as if prepared by all parties to this Declaration. Headings used in this Declaration are provided for convenience only and shall not be used to construe meaning or intent. When used in this Declaration, the terms “must” and “shall” denote a mandatory contractual obligation and are not permissive.

**18. Qualification; Authority.**

**18.1 Owner.** Each individual executing this Declaration on behalf of Owner represents, warrants and covenants to the Department that, to the best of his/her knowledge: (a) such person is duly authorized to execute and deliver this Declaration on behalf of Owner in accordance with authority granted by its governing body, and (b) such entity is bound under the terms of this Declaration.

19. **Severability.** Every provision of this Declaration is intended to be severable. If any provision of this Declaration is held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired.

20. **Governing Law.** This Declaration shall be governed by and interpreted under the laws of the State of California.

21. **No Waiver.** The failure of the Department to enforce any term, covenant, or condition of this Declaration on the date it is to be performed shall not be construed as a waiver of its right to enforce the same, or any other, term, covenant, or condition of this Declaration at any later date or as a waiver of any term, covenant, or condition of this Declaration.

22. **Recordation of Declaration; Effective Date.** Immediately upon execution of this Declaration, it shall be recorded in the Official Records of the County of San Bernardino. After recordation, Owner shall provide a conformed copy of the recorded Declaration to the Department. This Declaration shall be recorded, and shall remain, as a lien and encumbrance against the Property in first (1<sup>st</sup>) position senior to all deeds of trusts, mortgages, declarations, covenants, or liens of record on the Property.

23. **[Reserved.]**

24. **Reporting Requirements.**

- a. Owner shall submit to the Department a Homekey Program and Expenditure Report, as specified in Section 402 of the NOFA (the “**Annual Report**”), on January 31 of the calendar year following the Effective Date, and on each January 31 thereafter for the next five (5) consecutive years. The Annual Report shall be in such form and contain such information as required by the Department in its sole and absolute discretion. The report shall contain, at minimum, all of the following:
  1. The amount of funds expended for the Development for the previous year;
  2. Operating costs and expenditures for the previous calendar year;
  3. The number and bed size of habitable housing units produced, or planned to be produced;
  4. The number of individuals housed, or likely to be housed;
  5. The number of units, and the location of those units, for which operating subsidies have been, or are planned to be, capitalized;
  6. Confirmation that the Development is being operated in accordance with the core components of Housing First, as specified under Welfare and Institutions Code section 8255, subdivision (b);
  7. Detail of Supportive Services offered to tenants; and

8. Identification of all applications for Department funding, made by Owner's Housing and Community Development Agency during the previous calendar year, to support Owner's ongoing delivery of Supportive Services to tenants.

b. Owner shall submit to the Department such periodic reports, updates, and information as deemed necessary by the Department to monitor compliance and perform Program evaluation. Any requested data or information shall be submitted in electronic format on a form provided by the Department.

**25. Homeless Management Information System.** Owner shall, in accordance with Welfare and Institutions Code section 8256, ensure that the required data elements are entered into the local Homelessness Management Information System (“**HMIS**”). Such data shall be entered in a timely manner and consistent with HMIS best practices and the policies of the local Continuum of Care. All HMIS data shall be collected and disclosed in accordance with all federal and state privacy law.

**26. California Preservation Notice Law.** During the Term of this Declaration, the Owner shall provide notice to the tenants, by first-class mail, postage prepaid, as required by and in compliance with California Preservation Notice Law (Gov. Code, §§ 65863.10, 65863.11, and 65863.13).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]  
[SIGNATURES ON FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the Owner has caused this Declaration to be signed by its duly authorized representative(s), as of the day and year first written above.

**OWNER:**

County of San Bernardino, a political subdivision of the State of California

By: \_\_\_\_\_  
Dawn Rowe  
Chair, Board of Supervisors

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

Lynna Monell  
Clerk of the Board of Supervisors  
San Bernardino County

\_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

LAURA FEINGOLD  
County Counsel

By: \_\_\_\_\_  
Suzanne Bryant,  
Deputy County Counsel

Dated: \_\_\_\_\_

**ALL SIGNATURES MUST BE NOTARIZED**

## **EXHIBIT "A"**

### **LEGAL DESCRIPTION OF THE PROPERTY**

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

#### **PARCEL NO 1:**

THAT PORTION OF LOTS 6 AND 7, BLOCK 26, OF CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 7 OF MAPS, PAGE 1, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 100 FEET NORTH OF THE SOUTHEAST CORNER OF SAID LOT 7, THENCE WEST 201 FEET; THENCE NORTH 70 FEET; THENCE EAST 201 FEET; THENCE SOUTH 70 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, LYING BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHT OF SURFACE ENTRY.

#### **PARCEL NO 2:**

THE SOUTH 50 FEET OF THE EAST 200 FEET OF LOT 7, BLOCK 26, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 7, PAGE(S) 1 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, LYING BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHT OF SURFACE ENTRY.

#### **PARCEL NO. 2A:**

THE NORTH 50 FEET OF THE NORTH 99.45 FEET OF LOT 8, BLOCK 26, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 7, PAGE 1 OF MAPS, RECORDS OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, LYING BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHT OF SURFACE ENTRY.

#### **PARCEL NO. 3:**

THAT PORTION OF LOT 7, BLOCK 26, IN THE CITY OF SAN BERNARDINO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT

RECORDED IN BOOK 7, PAGE 1 OF MAPS, RECORDS OF SAID COUNTY,  
DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT 50 FEET NORTH OF THE SOUTHEAST CORNER OF  
SAID LOT 7; THENCE NORTH 50 FEET; THENCE WEST 200 FEET; THENCE  
SOUTH 50 FEET; THENCE EAST 200 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER  
HYDROCARBON SUBSTANCES, LYING BELOW A DEPTH OF 500 FEET,  
WITHOUT THE RIGHT OF SURFACE ENTRY.

APN: 0134-093-10-0-000, 0134-093-11-0-000 and 0134-093-44-0-000

**EXHIBIT "B"**

**UNIT MIX**

<b>450 N. G Street San Bernardino, CA 92410</b>  <b>San Bernardino County</b>				<b>Assessor Parcel Number (APN): 0134-093-10-0-000, 0134-093-11-0-000 and 0134-093-44-0-000</b>	
# of Bedrooms	Units	Non-Homekey Units	Homekey Units	AMI Income Limit	Target Population
Manager Unit	N/A	0	N/A	N/A	N/A
0 (Studio)	76	0	76	30%	At Risk of Homelessness/Homeless
Totals:	76	0	76		

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            )  
  ) ss.  
COUNTY OF \_\_\_\_\_        )

On \_\_\_\_\_, 2025 before me, \_\_\_\_\_, a notary public, personally appeared \_\_\_\_\_ 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.

\_\_\_\_\_  
Notary Public

SEAL