



Contract Number

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	<u></u>
Total Contract Amount	<u>\$2,000,000</u>
Cost Center	<u></u>
Grant Number (if applicable)	<u></u>

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 will 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:
- Premises operations and mobile equipment.
 - Products and completed operations.
 - Broad form property damage (including completed operations).
 - Explosion, collapse and underground hazards.
 - Personal injury.
 - 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, Chair, Board of Supervisors

Dated: _____
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
of the San Bernardino County

By _____
Deputy

FAMILY ASSISTANCE PROGRAM

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

By ►

(Authorized signature - sign in blue ink)
Darryl Evey

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

Title Executive Director

(Print or Type)

Dated: _____

Address 15075 7th St.
Victorville, CA 92395

FOR COUNTY USE ONLY

Approved as to Legal Form
►
Suzanne Bryant, Deputy County Counsel
Date _____

Reviewed for Contract Compliance
►

Date _____

Reviewed/Approved by Department
►
Carrie Harmon, Director
Date _____



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

EXHIBIT B
COUNTY DEED OF TRUST