

Attachment A

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LEASE AGREEMENT
Between
COUNTY OF MONTEREY
And
COMMUNITY HUMAN SERVICES

PREAMBLE

THIS LEASE AGREEMENT (hereinafter "Lease"), made at Salinas, California, is executed by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California, hereinafter called "County," and **COMMUNITY HUMAN SERVICES**, a 501(c)(3) non-profit corporation and Joint Powers Authority (JPA), hereinafter called "Lessee," (sometimes collectively referred to as "the parties") effective as of the date opposite the respective signatures below.

County and Lessee hereby agree as follows:

1. **PREMISES.** The County leases unto Lessee, and Lessee hires of and from the County, that certain 4,500 square foot modular office building with adjacent parking area located at 1292 Olympia Avenue, Seaside California, and further described in **Exhibit "A"**, attached hereto and made a part hereof by this reference (the "Premises"). The parking area is subject to change at the County's sole discretion to mitigate any impact to the County's nearby Social Services operations.

2. **TERM.** This Lease shall be for a term of **ten (10) years**, commencing on **July 1, 2020 or upon substantial completion of Lessee's specified improvements to the Premises and issuance of the certificate of occupancy by the City of Seaside Building and Planning Division, whichever is earlier** ("Commencement Date"), unless terminated earlier pursuant to the provisions of this Lease. Any holding over after the expiration of the term, or any renewal thereof, with the consent, express or implied, of the County, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, as far as applicable.

3. **RENEWAL TERMS.** [INTENTIONALLY LEFT BLANK]

4. **RENT.** County is leasing the Premises to Lessee at no lease fee pursuant to California Government Code section 26227.

5. **USE.** Lessee shall use and occupy the Premises pursuant to the agreement between the Coalition of Homeless Services Providers and Community Human Services, in the format substantially similar to **Exhibit "B"** attached hereto and made a part hereof by this reference. Lessee shall not use the Premises for any other purpose without the County's written consent, which consent shall not be unreasonably withheld or delayed. If any license, permit or other governmental authorization is required for the lawful use or occupancy of or any portion of the Premises, Lessee shall procure and maintain the same throughout the term of this Lease. Without limiting the foregoing, the parties anticipate that

Lessee shall use the Premises for one or more commercial or fundraising activities during the term of this Lease. As long as the proceeds from such activities are used to support the operation of Lessee's

programs and serve a public purpose pursuant to Government Code Section 26227, the County shall not withhold its consent to any commercial or fundraising activity to be conducted on the Premises by Lessee or an agent, subtenant or designee of Lessee. Lessee shall have the authority to delete programs and/or develop and implement new programs within the scope of purposes described herein without seeking prior approval from County, all subject to Lessee's obligations to obtain and maintain licenses, permits and authorization relating to occupancy of Premises.

County acknowledges that pursuant to the Lessee's agreement with the Coalition of Homeless Services Providers (**Exhibit "B"** to this Lease) a deed restriction will need to be recorded against the County's property of which the Premises is a part of. Said deed restriction is to commit said property to remain available for activities under the Homeless Emergency Aid Program ("HEAP") as approved by the California Business Services and Housing Agency, Homeless Coordinating and Financing Council for a duration of ten (10) years following the date of issuance of the certificate of occupancy by the City of Seaside Building and Planning Division for Lessee's construction of a permanent, year-around homeless shelter that will be located on the Premises. The County agrees to record a deed restriction document in a format substantially similar to **Attachment D of Exhibit "B"** to this Lease.

The County reserves the right to establish and enforce reasonable rules and regulations applicable to the maintenance, management, use, and operation of the Premises, a copy of which rules and regulations will be attached hereto as **Exhibit "C"** and will be made hereof by this reference, when and if produced.

6. COMPLIANCE WITH LAWS. Lessee shall at Lessee's own cost and expense comply with all statutes, ordinances, regulations, and requirements of all governmental entities, both federal and state and county or municipal, including those requiring capital improvements to the Premises, relating to Lessee's use and occupancy of the Premises whether those statutes, ordinances, regulations, and requirements are now in force or are subsequently enacted. The judgment of any court of competent jurisdiction, or the admission by Lessee in a proceeding brought against Lessee by any government entity, that Lessee has violated any such statute, ordinance, regulation, or requirement shall be conclusive as between the County and Lessee and shall constitute grounds for termination of this Lease by the County.

7. UTILITIES. Lessee shall pay, and hold the County free and harmless from, all charges for the furnishing of gas, water, electricity, telephone service, garbage pickup and disposal, and other public utilities to the Premises during the term of this Lease. All such charges shall be paid by Lessee directly to the provider (unless the provider bills the County and the County pays the bill, in which case Lessee shall reimburse the County for the charges within ten (10) days of receipt of the bill by Lessee) of the service and shall be paid as they become due and payable, but in any event, before delinquency.

8. TAXES AND ASSESSMENTS. The execution of this Lease and commencement of the Lease term may create a taxable possessory interest, the timely payment of which, together with any other taxes or assessments imposed against Lessee or the activities of Lessee on the Premises shall be paid timely by Lessee upon notice to Lessee.

9. ALTERATIONS AND IMPROVEMENTS. Lessee accepts the Premises in their present condition ("as is") and the parties acknowledge that extensive alterations and improvements to

the Premises shall be necessary for such facilities to meet building and safety code requirements and that the Premises may not be suitable or adequate for Lessee's intended use of the Premises. Lessee shall be solely responsible for making all necessary alterations and improvements to the Premises, including, but not limited to, demolition or renovation of existing structures or facilities, new construction and repairs and/or upgrades of existing infrastructure on (and for) the Premises to serve Lessees' intended purposes and for the purpose of bringing said Premises into compliance with all statutes, ordinances, regulations, and requirements of all federal, state, county or municipal governmental entities (including those requiring capital improvements to the Premises) relating to Lessee's use and occupancy of the Premises. Nothing in this section shall be interpreted to enlarge the scope of County's authority under statute and local regulations. Pursuant to California Civil Code Section 1938 (a), County (as Lessor) represents that the Premises has not undergone inspection by a Certified Access Specialist (CAsp). Full County (as Lessor) statement regarding disability access and CAsp report is attached hereto as **Exhibit "D"** and made a part hereof by this reference. If applicable, Lessee agrees to post a CALIFORNIA PROPOSITION 65 WARNING on the Premises in substantially the same form as set forth in **Exhibit "E"** attached and made a part hereof by this reference. Plans and Specifications for Lessee's alterations and improvements of the Premises shall be approved by County and Lessee prior to submittal to the City of Seaside, Planning and Building Division.

10. LICENSES, PERMITS AND INSPECTIONS. Lessee, at its sole cost and expense, shall acquire and maintain all licenses and permits required to construct, install and operate the Premises for the permitted use herein.

11. LIENS. Lessee shall keep the Premises free and clear from any and all liens, claims, and demands for work performed, materials furnished, or operations conducted on the Premises at the instance or request of Lessee.

12. REPAIRS. Lessee shall at its own cost and expense keep and maintain all portions of the Premises in good order and repair and in as safe and clean a condition. The County shall have no obligation to pay any costs or fees in any way related with the repairs or construction required under this Lease. Lessee shall reimburse the County for any costs incurred by the County for damages caused as a direct result of Lessee's use of the Premises and any areas appurtenant to the Premises.

13. OWNERSHIP OF ALTERATIONS AND IMPROVEMENTS. All improvements, alterations and fixtures (including, but not limited to, trade fixtures as that term is defined is used in California Civil Code Section 1019) made or placed in or on the Premises by Lessee during the term of this Lease shall be owned and may be depreciated for income tax purposes by Lessee. Upon expiration of the Lease, all improvements, alterations and fixtures shall become the property of the County for no further consideration of any kind, and Lessee shall execute any documents that may be required to convey its interest in such improvements, alterations and fixtures to the County.

14. INDEMNITY. Lessee agrees to protect, indemnify, and save the County harmless from and against any and all liability to third parties resulting from Lessee's occupation and use of the Premises, specifically including, without limitation, any claim, liability, loss, or damage arising by reason of: (a) The death or injury of any person or persons, including Lessee or any person who is an employee or agent of Lessee, or by reason of the damage to or destruction of any property, including property owned by Lessee or any person who is an employee or agent of Lessee, and caused or

allegedly caused by either the condition of the Premises, or some act or omission of Lessee or of some agent, administrator, employee, servant or sub-lessee of Lessee on the Premises; (b) Any work performed on the Premises or materials furnished to the Premises at the instance or request of Lessee or any agent or employee of Lessee; and (c) Lessee's failure to perform any provision of this Lease or to comply with any requirement of law or any requirement imposed on the County or the Premises by any duly authorized governmental agency or political subdivision.

Lessee further agrees to protect, indemnify, and save the County harmless from and against any and all liability resulting from Lessee's occupation and use of the Premises as defined in Paragraph 5 (USE) above.

Nothing in this Lease shall require Lessee to indemnify the County against liability to third persons resulting from the sole negligence of the County or the County's employees or agents.

15. LIMIT OF LIABILITY. Notwithstanding anything to the contrary herein, under no circumstances shall Lessee's directors, officers or employees have any personal liability to the County or to any third party in connection with the performance of this Lease.

16. INSURANCE.

- A. Evidence of Coverage. Prior to commencement of this Lease, the Lessee shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Lessee upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Office, unless otherwise directed. The Lessee shall not receive approval for services for work under this Lease until all insurance has been obtained as required and approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the Lessee.

- B. Qualifying Insurers. All coverage, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Contracts/Purchasing Officer.
- C. Insurance Coverage Requirements. Without limiting Lessee's duty to indemnify, Lessee shall maintain in effect throughout the term of this Lease a policy or policies of insurance with the following minimum limits of liability:
1. Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

2. Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence if maximum estimated reimbursement obligation by County to Lessee under this Lease is over \$100,000 or of not less than \$500,000 per occurrence if maximum estimated reimbursement obligation by County to Lessee under this Lease is \$100,000 and less.
3. Workers Compensation Insurance, if Lessee employs others in the performance of this Lease, in accordance with California Labor Code section 3700 and with Employer's liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.
4. Professional Liability Insurance, if required for the professional service being provided, (e.g., those persons authorized by a license to engage in business or profession regulated by the California Business and Professional Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the Lessee shall, upon the expiration or earlier termination of this Lease obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three (3) years following the expiration or earlier termination of this Lease.

D. Other Insurance Requirements, All insurance required by this Lease shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Lease, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three (3) years following the date Lessee completes its performance of services under this Lease.

Each liability policy shall provide that the County shall be given notice in writing at least thirty (30) calendar days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Lessee and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Lease, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insured with respect to liability arising out of the Lessee's work, including ongoing and complete operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insured shall not be called upon to contribute to a loss covered by the Lessee's insurance.

Prior to the execution of this Lease by the County, Lessee shall file certificates of insurance with the County's contract administrator and the County's Contracts/Purchasing Office, showing that the Lessee has in effect the insurance required by this Lease. The Lessee shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Lease, which shall continue in full force and effect.

Lessee shall at all times during the term of this Lease maintain in force the insurance coverage required under this Lease and shall send, without demand by County, annual certificates to County's contract administrator and County's Contracts/Purchasing Office. If the certificate is not received by the expiration date, Lessee shall have five (5) calendar days to send the certificate, evidencing no lapse in coverage during the interim. Failure by Lessee to maintain such insurance coverage is a breach of this Lease, which entitles County, at its sole and absolute discretion, to terminate this Lease.

17. ENTRY AND INSPECTION. With seventy two (72) hours notice to Lessee, the County shall have the right to enter the Premises at reasonable times for the purpose of inspection, posting notices, or other lawful purposes.

18. DAMAGE TO PREMISES. If, during the term of this Lease the Premises shall be so damaged by fire, casualty or other cause as to be unfit for the purpose for which leased, then this Lease may be terminated at the option of Lessee upon the written notice of Lessee to County. County shall have no obligation to restore and repair Premises damaged by fire, casualty or other cause unless such damage results solely from the intentional or negligent acts of County or the County's employees or agents.

19. ASSIGNMENT AND SUBLETTING. Lessee shall not encumber, assign, or otherwise transfer this Lease, any right or interest in this Lease, or any right or interest in the Premises, or any improvements that may now or hereafter be constructed or installed on the Premises, without first obtaining the express written consent of the County. Lessee shall not sublet the Premises or any part of the Premises or allow any other person, other than Lessee's agents, servants, and employees, to occupy the Premises or any part of the Premises without the prior written consent of the County. A consent by the County to one assignment, one subletting, or one occupation of the Premises by another person shall not be deemed to be a consent to any subsequent assignment, subletting, or occupation of the Premises by another person. Any encumbrance, assignment, transfer, or subletting without the prior written consent of the County, whether voluntary or involuntary, by operation of law or otherwise, is void and shall, at the option of the County, terminate this Lease. The consent of the County to any assignment of Lessee's interest in this Lease or the subletting by Lessee of the Premises or parts of the Premises shall not be unreasonably withheld.

20. DEFAULT AND REENTRY. No breach of this Lease shall constitute default giving rise to the remedies herein set forth unless and until Lessee shall have first received notice of the breach and shall have been given not less than thirty (30) days notice to cure.

21. **NO PARTNERSHIP OR JOINT VENTURE.** Nothing in this Lease shall be construed to render the County in any way or for any purpose a partner, joint venturer, or associate in any relationship with Lessee other than that of Landlord and Tenant, nor shall this Lease be construed to authorize either to act as agent for the other.

22. **FORCE MAJEURE.** If either party is unable to perform its duties under this Lease due to acts of God, strikes, lockouts, labor disputes, inability to obtain labor, governmental restrictions, regulations or controls, civil commotion, fire or other casualty, emergency or any other cause beyond the reasonable control of the party, such non-performing party shall be excused from performance by the other party, and shall not be in breach of this Lease, for a period equal to any such prevention, delay or stoppage.

23. **DISPUTE RESOLUTION.** The parties to this Lease all desire to avoid the cost and delay attendant on litigation. To that end, the parties agree that if any dispute arises relating to this Lease, including but not limited to its meaning, interpretation, effect or the enforcement of the provisions hereof, then the party who believes a dispute has arisen shall give written notice of such to the other party. For a period of thirty (30) days after the giving of such notice (or a longer period if the parties shall so agree), the parties shall attempt to resolve the dispute by informal discussions among themselves, using the services of a mediator, if the parties agree that such a mediator would facilitate resolution of the dispute.

24. **SUCCESSORS AND ASSIGNS.** Except as otherwise provided for herein, the parties expressly agree that, subject to the terms of this Lease, all terms and conditions of this Lease shall extend to and be binding upon or inure to the benefit of the heirs, executors, administrators, personal representatives, assigns and successors in interest of both the respective parties hereto.

25. **ENTIRE AGREEMENT.** This Lease expresses the whole contract between the parties, there being no representations, warranties, or other understandings not here expressly set forth or provided for herein.

26. **AMENDMENTS.** This Lease may be amended at any time and from time to time, provided that no amendment to this Lease shall be legally enforceable against the County or Lessee unless it is in writing, executed and acknowledged by both parties.

27. **NOTICES.** All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been given fully, when made in writing and personally delivered as shown below, or deposited in the United States mail, certified, return receipt requested, postage prepaid, and addressed as follows:

County: County of Monterey
Attn: RMA-Administrative Services, Real Property Specialist
1441 Schilling Place, South Building, 2nd Floor
Salinas, California, 93901
Phone: 831-755-4800 Email: salcidog@co.monterey.ca.us

Lessee: Community Human Services.
Attn: Executive Director
2560 Garden Road, Suite 201
Monterey, California 93942
Phone: 831-658-3811 Email: mccrae@chservices.org

The address to which notices may be mailed to either party may be changed by written notice given by such party to the other, as herein provided. Correspondence other than notices may be given by regular mail or email.

County and Lessee shall be available to each other, by phone during regular business hours, and for emergencies after hours and on weekends. County and Lessee shall subscribe to a 24-hour, seven (7) days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in event of an emergency. **Emergency answering service phone number for County is 831-212-0378. Emergency answering service phone number for Lessee is _____.**

28. GOVERNING LAW. This Lease shall be governed by and construed in accordance with the laws of the State of California.

29. SEVERABILITY. In the event that any term or provision of this Lease is rendered void, invalid or unenforceable by any valid Act of Congress or the State Legislature, or by any regulation duly promulgated by officers of the United States or the state acting in accordance with law, or is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Lease shall remain in full force and effect; provided, however, that should the removal of any void, invalid or enforceable provision have the effect of materially altering the obligations of either party in such a manner as, in the reasonable judgment of the affected party to: (i) cause financial hardship to such party, of (ii) to cause such party to act in violation of its governing or organizational documents, the affected party shall have the right to terminate this Lease upon thirty (30) days prior written notice to the other party.

30. WAIVER. Any term or provision of this Lease may be waived at any time by the party entitled to the benefit thereof by a written instrument executed by a duly authorized officer of the party. No waiver of any of the provisions of this Lease will be deemed or will constitute a waiver of any other provisions nor will any waiver constitute a continuing waiver.

31. WARRANTY OF AUTHORITY. The person executing this Lease on behalf of Lessee hereby warrants that Lessee is a duly authorized and existing corporation and that he/she is authorized to execute this Lease.

IN WITNESS whereof, the parties have caused this Agreement to be executed as of the day and year signed below.

County of Monterey

APPROVED AS TO FORM & LEGALITY

Office of the County Counsel-Risk Management
Charles J. McKee, County Counsel-Risk Manager

By:

By:

/s/ _____

Michael R. Derr

Mary Grace Perry-signed electronically

Title: Contracts/Purchasing Officer

Title: Deputy County Counsel

Date:

Date: _____

Community Human Services

By: _____

Robin McCrae

Title: Executive Director

Date: _____

Exhibit “B”

**AGREEMENT BETWEEN THE COALITION OF HOMELESS SERVICES PROVIDERS AND
COMMUNITY HUMAN SERVICES**
**HOMELESS EMERGENCY AID PROGRAM GRANT
SUBRECIPIENT GRANT FUNDING AGREEMENT BETWEEN
Monterey/San Benito Coalition of Homeless Services Providers
AND
Community Human Services**

THIS SUBRECIPIENT GRANT FUNDING AGREEMENT (“Agreement”) is made and entered into by and between the Coalition of Homeless Services Providers for (“COALITION”) and Community Human Services, a 501(c)(3) non-profit corporation (“SUBRECIPIENT”) (collectively “Parties”) to undertake activities under the Homeless Emergency Aid Program (“HEAP”) as approved by the California, Business, Consumer Services and Housing Agency (“BCSH” or “STATE” or “AGENCY”), Homeless Coordinating and Financing Council (“HCFC”).

WHEREAS, this Agreement sets forth the responsibilities of COALITION and SUBRECIPIENT in accomplishing the objectives of State of California’s Homeless Emergency Aid Program, (hereinafter referred to as “HEAP”). Pursuant to Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018), the State has established HEAP. The program is administered by the California Homeless Coordinating and Financing Council in the Business, Consumer Services and Housing Agency, hereinafter referred to as Agency. The general purpose of HEAP is to provide one-time flexible block grant funding to address the immediate emergency needs of homeless individuals and individuals at imminent risk of homelessness in the service area of each Subrecipient. In accordance with the authority cited below, HEAP funds are to be allocated for eligible uses under the grant, which include, but are not limited to, the following: services, rental assistance or subsidies, capital improvements and homeless youth activities; and

WHEREAS, the COALITION has applied for and received funds from the AGENCY through HEAP; and

WHEREAS, the COALITION wishes to engage the SUBRECIPIENT to assist the COALITION in utilizing such HEAP funds to carry out the activities described in this Agreement for the purpose of aiding people experiencing homelessness in Monterey and/or San Benito counties; and

WHEREAS, the SUBRECIPIENT intends to provide services and operate a homeless shelter located at 1292 Olympia Avenue, Seaside, California. This location has a 4,500 square foot modular office building with adjacent parking area which is owned by the County of Monterey and will be leased to SUBRECIPIENT, to operate the homeless shelter. Fully executed copy of said lease is to be attached to this Agreement.

NOW, THEREFORE, it is agreed between the PARTIES hereto that:

I. SCOPE OF SERVICES

A. Eligible Activities

The Scope of Work (“WORK”) for this Agreement shall include one-time uses that are consistent with State Regulation Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018), for eligible uses. All HEAP-funded activities shall operate in a manner consistent with the requirements of CCR Section 8409(b), referred to as “Core Practices” and Welfare and Institutions Code Division 8 Chapter 6.5 8355 (b), referred to as “Core Components of Housing First,” including but not limited to use of a Coordinated Entry System (CES), Housing First practices, and progressive engagement practices.

B. Services to be Provided

SUBRECIPIENT shall be responsible for providing a public works bidding process, architectural drawings and construction of a homeless shelter located at 1292 Olympia Avenue, Seaside, California, as described in the project plans and specifications, project budget, and project schedule. SUBRECIPIENT shall furnish all labor, materials, services, supervision, equipment, licenses and permits necessary to complete the project in accordance with the Scope of Services set forth in **Attachment A** to this Agreement, and in accordance with Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the California Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018).

C. Levels of Accomplishment – Goals and Performance Measures:

SUBRECIPIENT shall be responsible to accomplish the levels of performance as set forth in **Attachment A** (attached and incorporated by this reference). SUBRECIPIENT shall report performance data to the COALITION in accordance with **Attachment A** and as required by the STATE in Chapter 5 (commencing with Section 50210) of Part 1 of Division 31 of the Health and Safety Code, and all other relevant provisions established under SB 850 (Chapter 48, Statutes of 2018) and in the HEAP Notice of Funding Available (NOFA) dated September 5, 2018.

D. Performance Monitoring

COALITION will monitor the performance of SUBRECIPIENT against goals and performance measures as stated above and has a duty to notify SUBRECIPIENT of any issues with SUBRECIPIENT meeting goals or performance measures and giving SUBRECIPIENT an opportunity to correct. SUBRECIPIENT shall provide COALITION all necessary reporting information as required by the STATE in the administration and review of the Project(s). Substandard performance as determined by the COALITION will constitute noncompliance with this Agreement. After being notified by COALITION, if action to correct such substandard performance is not taken by the SUBRECIPIENT within the time frames set forth herein for an opportunity to cure and/or come to an agreement, contract suspension or termination procedures will be initiated.

II. TIME OF PERFORMANCE

Activities of the SUBRECIPIENT shall start on _____ and end on _____ (“Project Period”). All work to be performed as set forth in **Attachment A** shall be completed by _____. Any funds not expended by _____ will no longer be available to the project and will be returned to the COALITION and will revert to the STATE.

III. BUDGET

Project costs shall be paid in accordance with the budget specifying HEAP-funded line items shall be as set forth in **Attachment B** to this Agreement. All costs incurred must be fully documented. In addition, COALITION may require additional detail budget breakdown. SUBRECIPIENT shall provide such supplementary budget information in a timely fashion in the form and content prescribed by COALITION. Any amendments to the budget must be approved in writing by COALITION.

If the HEAP funds are not expended in accordance with the terms, conditions and time period set forth in this Agreement or the total amount of the HEAP funds exceeds the eligible costs of the Project(s), the amounts improperly expended or not expended shall be returned to COALITION.

SUBRECIPIENT agrees to use HEAP funds available under this Agreement to supplement rather than supplant funds otherwise available.

IV. COMPENSATION AND REPORTING

SUBRECIPIENT agrees to supply to COALITION, at minimum quarterly progress reports and/or other documentation as may be required by the COALITION to audit performance of this Agreement and/or to enable the COALITION to analyze and evaluate utilization of the SUBRECIPIENT’s program. SUBRECIPIENT shall maintain separate accounting and financial records for each funding (revenue) source in support of the projects)

V. QUARTERLY STATUS REPORTS

The SUBRECIPIENT shall address project status and, if applicable, explanation of any problems/delays encountered and/or anticipated and measures to be taken to correct such problems; revised milestones including anticipated schedule for project completion; direct benefit statistics. In addition, SUBRECIPIENT shall provide as part of the progress report, any citizen comments received during the reporting period relative to the project(s), any responses to such comments, and additional project information, as needed. SUBRECIPIENT shall submit such report quarterly within twenty-one (25) days of the close of the report period. These reports shall describe the progress made by the SUBRECIPIENT in achieving each of the objectives identified in the HEAP Application. The reports shall explain the SUBRECIPIENT’s progress including comparison of actual versus planned progress for the period.

Reporting periods are defined in the table below:

QTR	Reporting Period	Due Date	
1	July-September	October 25	Community Human Services
2	October-December	January 25	
3	January – March	April 25	
4	April - June	July 25	

VI. PAYMENT PROCEDURES

SUBRECIPIENT shall submit original, signed, Expenditure Summary and Payment Request (ESPR) and copies of supporting documents for payment to COALITION by the 25th day of each month. Electronic submission of supporting documentation is acceptable. If the 25th of the month falls on a Saturday, or Sunday, then ESPR forms, with attached invoices, will be due by 3 p.m. the Friday preceding the 25th. The COALITION will make all reasonable attempts for payment of accurate and approved ESPRs within thirty (30) days of receipt. However, if ESPRs are submitted without the required back up documentation, the reimbursement request may be held over until such documentation is provided.

It is expressly agreed and understood that the total amount to be paid by the COALITION under this Agreement shall not exceed \$_____.

SUBRECIPIENT may provide billing invoices with associated documentation to COALITION on a monthly basis, but reporting documents will be on a quarterly basis for the construction of the shelter component. Expenses incurred prior to contract execution are not eligible for payment through HEAP.

No costs shall be billed except for expenditures authorized in the project budget as set forth in Attachment B. Costs must be itemized and must be of sufficient detail (e.g., be supported by contracts, invoices, vouchers, and other data, as appropriate, evidencing the necessity of such expenditure) to provide a sound basis for COALITION to make review the claim and effectively monitor costs.

COALITION shall pay SUBRECIPIENT starting costs of \$_____ on or after October 1, 2019 when invoiced. SUBRECIPIENT shall invoice COALITION monthly with expenses. Of those invoiced expenses, one-eleventh shall be subtracted from payment owed on each monthly invoice starting July 1, 2020, throughout the term of the Agreement or until the starting costs of \$_____ are paid back to COALITION. Once the starting costs have been paid back to COALITION, SUBRECIPIENT will receive payments as invoiced monthly.

COALITION reserves the right to suspend payments should the SUBRECIPIENT fail to provide required reports in a timely and adequate fashion or if SUBRECIPIENT fails to meet other terms and conditions of this Agreement, but shall do so only after giving notice and a time to cure.

HEAP funds shall be deposited and maintained in a separate fund account upon the books and records of the SUBRECIPIENT (the "Account"). SUBRECIPIENT shall keep all records of the Account in a manner that is consistent with generally accepted accounting principles. All disbursements from the Account shall be for obligations incurred in the performance of this Agreement and shall be supported by contracts, invoices, vouchers, and other data, as appropriate, evidencing the necessity of such expenditure. COALITION may withhold payment requests if SUBRECIPIENT fails to comply with the above requirements until such compliance is demonstrated.

VII. NOTICES

Notices required by this Agreement shall be made in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery. Any notice delivered or sent as aforesaid shall be effective on the date of receipt. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this Agreement shall be directed to the following contract representatives:

COALITION

Elliot Robinson, Interim Executive Officer
Monterey/San Benito Counties Coalition of
Homeless Services Providers
1942 Fremont Blvd., Seaside, CA 93955
(831) 578-4198
executive@CHSPMontereyCounty.org

SUBRECIPIENT

Robin McCrae
Community Human Services
Executive Director
2560 Garden Road, Suite 201-B, Monterey, CA
93942
(831) 658-3811
mccrae@chservices.org

VIII. REPORTING AND COMPLIANCE

A. Reporting Requirements

SUBRECIPIENT shall submit quarterly reports on the schedule provided herein. An annual report to COALITION on forms provided by COALITION will be required and due by _____ and _____. The SUBRECIPIENT shall also submit a final report by _____. If the SUBRECIPIENT fails to provide such documentation, COALITION may disencumber any portion of the amount authorized by this Agreement with the following process: (i) Notification of SUBRECIPIENT'S missed report, (ii) sixty (60) day opportunity to cure for the construction portion of this Agreement, (iii) thirty (30) day opportunity to cure for the services portion of this Agreement. If after an opportunity to cure, the reporting requirement is still not met, COALITION may disencumber any portion of the amount authorized by this Agreement.

The quarterly reports and annual reports shall contain a detailed report containing the following:

1. Amount of award with activity(ies).
2. Contract expenditures.

Breakdowns will be expected for each activity (i.e. services, capital improvements, rental assistance, etc.) and program type (i.e. emergency shelter, rapid re-housing, outreach, etc.) for the

supplemental reporting requirements listed above when applicable. The same information will also be requested specifically for the following subpopulations, based on priorities defined by the U. S. Department of Housing and Urban Development (HUD):

1. Chronically homeless
2. Homeless veterans
3. Unaccompanied homeless youth
4. Homeless persons in families with children

Counts by subpopulation will not be required in cases where that information is unavailable, but it is expected in cases where client information is entered in a Homeless Management Information System (HMIS). Additional breakdowns for other subgroups (e.g. race, ethnicity, disability status, etc.) are optional, if the SUBRECIPIENT chooses to include them.

The SUBRECIPIENT will also be asked to comment on the following:

1. Progress made toward local homelessness goals.
2. Major accomplishments and success stories.
3. The alignment between HEAP funding programs and “Housing First” principles adopted by the HCFC.
4. Any other effects from HEAP funding that SUBRECIPIENT would like to share.

B. Retention and Inspection of Records

SUBRECIPIENT agrees that COALITION or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. SUBRECIPIENT agrees to provide COALITION or its designee, with any relevant information requested. SUBRECIPIENT agrees to permit COALITION or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other materials that may be relevant to a matter under investigation for the purpose of determining compliance with the Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, HEAP program guidance document published on the website, and this Agreement.

SUBRECIPIENT further agrees to retain all records described above for a minimum period of five (5) years after the termination of this Agreement. Notwithstanding the above, if any litigation, claim, negotiation, audit, monitoring, inspection or other action has been commenced before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues which arise from it.

C. Deed Restrictions

HEAP funded capital projects for construction, acquisition or rehabilitation will require a recorded deed restriction (covenants, conditions and restrictions) committing the land/property/building for the approved HEAP-contracted activity for a ten (10) year duration. SUBRECIPIENT intends to provide services and operate a homeless shelter located at 1292 Olympia Avenue, Seaside, California. This location has a 4,500 square foot modular office building with adjacent parking area which is owned by the County of Monterey and will be leased to SUBRECIPIENT, to operate the homeless shelter. A fully executed copy of said lease is attached to

this Agreement as **Attachment C**. This Agreement shall be subject to said deed restriction by way of a recorded document in a format substantially similar to **Attachment D** to this Agreement.

D. Prevailing Wage

HEAP funds are considered public funds and will trigger prevailing wage requirements for capital projects. SUBRECIPIENT agrees to meet prevailing wage requirements as required by law. Prevailing wage requirements will be waived only in the event that SUBRECIPIENT is able to clearly document a legal reason for waiver. If waiver is requested, the SUBRECIPIENT is directed to provide clear documentation to STATE with a copy to COALITION that outlines the legal rationale for the waiver.

E. Audits

COALITION reserves the right to perform or cause to be performed a financial audit. At COALITION request, SUBRECIPIENT shall provide, at its own expense, a financial audit prepared by a certified public accountant. HEAP administrative funds may be used to fund this expense.

If a financial audit is required by COALITION, the audit shall be performed by an independent certified public accountant. The SUBRECIPIENT shall notify COALITION of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by COALITION to the independent auditor's working papers.

SUBRECIPIENT is responsible for the completion of audits and all costs of preparing audits. If there are audit findings, the SUBRECIPIENT must submit a detailed response acceptable to SUBRECIPIENT for each audit finding within ninety (90) days from the date of the audit finding.

IX. SPECIAL CONDITIONS

SUBRECIPIENT agrees that all proceeds from any interest-bearing account established by the SUBRECIPIENT for the deposit of HEAP funds, along with any interest-bearing accounts opened by SUBRECIPIENT's contractors for the deposit of HEAP funds, must be used for HEAP-eligible activities. Consistent with Health and Safety Code Section 50214 (b), no more than five (5) percent of these proceeds may be used for general administrative purposes.

Any housing-related activities funded with HEAP funds, including but not limited to, emergency shelter, rapid-rehousing, rental assistance, transitional housing and permanent supportive housing must be in compliance or otherwise aligned with the Core Components of Housing First, pursuant to Welfare and Institution Code Section 8255(b).

SUBRECIPIENT agrees to participate the local HMIS program and comply with HMIS related policies and procedures. HMIS is a technology system used to collect client-level data on the provision of housing and services to homeless individuals and families. HEAP-funded projects are responsible for the costs incurred of HMIS participation. HMIS related costs may only be applied to the indirect line item of proposed budgets. COALITION serves as the lead agency for the local HMIS program. SUBRECIPIENT agrees to provide COALITION access to Homeless Management Information System ("HMIS") data collected and entered into the SUBRECIPIENT's HMIS, upon request, and to participate in any statewide initiative as directed by COALITION including but not limited to, a statewide data integration environment.

All HEAP-funded transitional, permanent, permanent-supportive and rapid rehousing projects must only accept homeless participants through the local Coordinated Entry System. SUBRECIPIENT agrees to participate in the Coordinated Assessment and Referral System (CARS) or Coordinated Entry System (CES) to the extent it accept homeless participants into a HEAP-funded transitional, permanent, permanent-supportive and rapid rehousing project. Coordinated entry processes help communities prioritize assistance based upon vulnerability and severity of service needs to ensure that people who need assistance the most can receive it in a timely manner. HEAP funded projects are responsible for ensuring appropriate staff attend Coordinated Entry System trainings. COALITION serves as the lead agency for the local Coordinated Entry program.

Special Terms and Definitions: All special terms herein shall have the same meaning as the definitions set forth in the STATE HEAP NOFA.

COALITION reserves the right to add any special conditions to this Agreement it deems necessary to ensure the goals of the Program are achieved.

X. GENERAL CONDITIONS

A. General Compliance

SUBRECIPIENT agrees to comply with the requirements 24 CFR Part 576.103, 105-106, and 400. SUBRECIPIENT also agrees to comply with the terms of the award under California regulations, Chapter 5 of Part 1 of Division 31 of the Health and Safety Code and all other applicable requirements established under SB 850, and HEAP program guidance document published by STATE.

SUBRECIPIENT agrees to comply with STATE and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, environmental protection, equal opportunity, fair housing, and all other matters applicable and/or related to the HEAP program, the SUBRECIPIENT, its contractors and all eligible activities.

SUBRECIPIENT shall be responsible for observing and complying with the Americans with Disabilities Act of 1990 (P.L. 101-336), 42 U.S.C. Secs. 12101 et seq. and 47 U.S.C. Secs. 225 and 611, and any federal regulations issued pursuant thereto (see 24 CFR Chapter 1; 28 CFR Parts 35 and 36; 29 CFR.

SUBRECIPIENT also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract.

Upon request by COALITION, SUBRECIPIENT shall give any written assurances of compliance with the Civil Rights Acts of 1964 and 1991, the Rehabilitation Act of 1973 and/or the Americans with Disabilities Act of 1990, as may be required by the federal government in connection with this Agreement, pursuant to 45 CFR Sec. 80.4 or 45 CFR Sec. 84.5, and 91; 7 CFR Part 15; and 28 CFR Part 35, or other applicable State or federal regulation.

SUBRECIPIENT shall also be responsible for obtaining any and all permits, licenses, and approvals required for performing any activities under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the activities.

SUBRECIPIENT shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental protection, procurement, and safety laws, rules, regulations, and ordinances. SUBRECIPIENT shall provide copies of permits and approvals to COALITION upon request.

SUBRECIPIENT also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this Agreement

B. Sufficiency of Funds and Termination

Either Party may terminate this Agreement at any time for good cause upon the other Party's material breach of this Agreement, provided that (i) the non-breaching Party sends written notice to the breaching Party describing the breach in reasonable detail; (ii) the breaching Party does not cure the breach within thirty (30) days following its receipt of such notice (the "Notice Period") for COALITION obligations or for the services component of this Agreement; and (iii) and the breaching Party does not cure the breach within ninety (90) days following its receipt of such notice (the "Notice Period") for the capital improvement construction of the shelter component of this Agreement; and (iv) following the expiration of the Notice Period, the non-breaching Party sends a second written notice to the breaching Party indicating its election to terminate this Agreement.

Good cause shall consist of: violations of any terms or conditions of this Agreement, violation of any Federal or State Laws or Regulations; or withdrawal of COALITION's expenditure authority.

Upon termination of this Agreement, unless otherwise approved in writing by COALITION, any unexpended funds received by the SUBRECIPIENT shall be returned to COALITION within sixty days of the Notice of Termination.

This Agreement is valid and enforceable only if sufficient funds are made available to COALITION by BCSH and legislative appropriation. In addition, this Agreement is subject to any additional restrictions, limitations or conditions, or statutes, regulations or any other laws, whether federal or those of the STATE, or of any agency, department, or any political subdivision of the federal or STATE governments, which may affect the provisions, terms or funding of this Agreement in any manner.

C. Transfers

Neither party may transfer or assign by subcontract or novation, or by any other means, the rights, duties, or performance of this Agreement or any part thereof, except with the prior written approval of both parties and a formal written amendment to this Agreement to affect such subcontract or novation.

D. Subrecipient's Application for Funds

SUBRECIPIENT has submitted to COALITION an application for HEAP funds to provide urgently needed emergency assistance to homeless people in communities with a declared shelter crisis

or applicable waiver as authorized by Health and Safety Code Section 50212(b). SUBRECIPIENT is entering into this Agreement on the basis of, and in substantial reliance upon, SUBRECIPIENT's facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by COALITION. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.

SUBRECIPIENT warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of the SUBRECIPIENT's knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect COALITION approval, disbursement, or monitoring of the funding and the grants or activities governed by this Agreement, then COALITION may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

E. Breach and Remedies

The following shall each constitute a breach of this Agreement:

1. SUBRECIPIENT's failure to comply with the terms or conditions of this Agreement.
2. Use of, or permitting the use of, HEAP funds provided under this Agreement for any ineligible activities.
3. Any failure to comply with the deadlines set forth in this Agreement.

In addition to any other remedies that may be available to COALITION in law or equity for breach of this Agreement, COALITION may:

1. Require the return of any unused HEAP funds disbursed under this Agreement.
2. Seek such other remedies as may be available under this Agreement or any law.

All remedies available to COALITION are cumulative and not exclusive.

F. Waivers

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of COALITION to enforce at any time the provisions of this Agreement, or to require at any time, performance by the SUBRECIPIENT of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of COALITION to enforce these provisions.

G. Nondiscrimination

During the performance of this Agreement, SUBRECIPIENT and its SUBRECIPIENTs shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, gender expression, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), genetic information, marital status, military and veteran status, and denial of medical and family care leave or pregnancy disability leave. SUBRECIPIENTs and its SUBRECIPIENTs shall ensure that the elevation and treatment of their employees and applicants for

employment are free from such discrimination and harassment. SUBRECIPIENT or its SUBRECIPIENTS shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12900 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. SUBRECIPIENT and its SUBRECIPIENTS shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

H. Conflict of Interest

All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code, sections 10410 and 10411, for State conflict of interest requirements.

Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.

Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left the State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to this or her leaving State service.

Employees of the SUBRECIPIENT shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Government Code section 87100 et seq.

I. Drug-Free Workplace Certification

Certification of Compliance: By signing this Agreement, SUBRECIPIENT, and its contractors, hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

1. Publish a statement notifying employees and SUBRECIPIENTS that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or

SUBRECIPIENTS for violations, as required by Government Code section (8355(a)(1).

2. Establish a Drug-Free Awareness Program, as required by Government Code section 8355(a)(2) to inform employees, contractors, or SUBRECIPIENTS about all of the following:
 - a. The dangers of drug abuse in the workplace;
 - b. SUBRECIPIENT's policy of maintaining a drug-free workplace;
 - c. Any available counseling, rehabilitation, and employee assistance programs; and
 - d. Penalties that may be imposed upon employees, contractors, and SUBRECIPIENTS for drug abuse violations.
3. Provide, as required by Government Code section 8355(a)(3), that every employee and/or SUBRECIPIENT who works under this Agreement:
 - a. Will receive a copy of SUBRECIPIENT's drug-free policy statement, and
 - b. Will agree to abide by terms of SUBRECIPIENT's condition of employment or subcontract.

J. Child Support Compliance Act

For any Contract or Subrecipient Agreement in excess of \$100,000, the SUBRECIPIENT acknowledges in accordance with Public Contract Code 7110, that:

SUBRECIPIENT recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

SUBRECIPIENT, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

K. Work Inspections

SUBRECIPIENT shall inspect any work performed hereunder to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement.

COALITION reserves the right to inspect any work performed hereunder to ensure that the work is being and has been performed in accordance with the applicable Federal, State and/or local requirements, and this Agreement and will promptly notify SUBRECIPIENT of any non-conforming work.

SUBRECIPIENT agrees to require that all work that is determined based on such inspections not to conform to the applicable requirements be corrected within the time set forth herein to cure, ninety (90) days for the capital improvement component and thirty (30) days for the services component of this Agreement. Payments to the SUBRECIPIENT will not be withheld during the time to cure. If a cure does not occur after the time to cure has past, the remedy for COALITION will be to enter new opportunity to cure time frames with SUBRECIPIENT or to terminate this Agreement.

L. Litigation

If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are and shall be deemed severable.

Both Parties shall immediately notify each other of any claim or action undertaken by or against it, which affects or may affect this Agreement, and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the other Party.

M. Procurement

SUBRECIPIENT shall comply with current COALITION policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the COALITION upon termination of this Agreement.

OMB Standards: Unless specified otherwise within this Agreement, the SUBRECIPIENT shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40–48 or 24 CFR 85.36.

Travel: SUBRECIPIENT shall obtain written approval from COALITION for any travel outside the metropolitan area for which HEAP funds are provided under this Agreement. All travel costs reimbursed with HEAP funds shall be at the rates allowed under SUBRECIPIENT’s HUD-approved travel rules.

Use and Reversion of Assets: The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 84 or 85 and 24 CFR 570.502, 570.503, and 570.504, as applicable.

Subcontracts: SUBRECIPIENT will include all relevant provisions of this Agreement in all subcontracts entered into as part of the activities undertaken in furtherance of this Agreement and will take appropriate action pursuant to any subcontract upon a finding that the SUBRECIPIENT is in violation of regulations issued by any federal agency. SUBRECIPIENT will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations

N. Environmental Requirements

SUBRECIPIENT agrees to comply with all applicable environmental requirements insofar as they apply to the performance of this Agreement, including but not limited to the Clean Air Act, the Federal Water Pollution Control Act and the Flood Disaster Protection Act. SUBRECIPIENT also shall comply with the Historic Preservation requirements of National Historic Preservation Act of 1966 and HUD Lead-Based Paint Regulation at CFR 570.608 and 24 CFR Part 35, Subpart B.

O. Relocation

SUBRECIPIENT agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. SUBRECIPIENT shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a HEAP-assisted project. SUBRECIPIENT also agrees to comply with all applicable ordinances, resolutions and policies concerning the displacement of persons from their residences.

P. Hold Harmless

To the extent permitted by law, the SUBRECIPIENT agrees to hold harmless, defend and indemnify COALITION and its appointed and elected officers and employees from and against any and all liability, loss, costs, damage and expense, including costs and attorney fees in defense thereof because of any actions, claims, lawsuits, damages, charges and judgments whatsoever that arise out of the SUBRECIPIENT's performance or nonperformance of the services or subject matter called for in this Agreement.

Q. Workers' Compensation

SUBRECIPIENT shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement, and provide evidence thereof to COALITION. SUBRECIPIENT shall require any and all CONTRACTORS working on the capital improvement construction component of this agreement to require the CONTRACTOR and their SUB-CONTRACTORS to provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement and provide evidence thereof to SUBRECIPIENT.

R. Insurance & Bonding

Insurance: SUBRECIPIENT shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the SUBRECIPIENT, his agents, representatives, employees or subcontractors.

Minimum Scope and Limits of Insurance: Coverage shall be at least as broad as:

Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 0001 1207 covering CGL on an "occurrence" basis, including products-completed operations, personal and advertising injury, with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if SUBRECIPIENT has no owned autos, hired (Code 8), and non-owned autos (Code 9), with a limit no less than \$1,000,000 per accident for bodily injury and property damage.

Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.

Professional Liability (Errors and Omissions): Insurance appropriate to SUBRECIPIENT's profession, with a limit of no less than \$1,000,000 per occurrence and \$1,000,000 aggregate.

SUBRECIPIENT's insurance policies shall be "occurrence" policies and not "claims-made" coverage.

SUBRECIPIENT may maintain an Umbrella policy in conjunction with the insurance policies referenced above. In such case, SUBRECIPIENT shall be deemed to have satisfied the insurance requirements of this contract as long as: (i) the coverage limits of the Umbrella policy and of the underlying liability policy(ies), when combined, satisfy each of the per occurrence and aggregate requirements identified in this subsection A.; and (ii) coverage under the Umbrella policy is as broad as and includes all incidents and events covered by the underlying insurance that it supplements.

XI. MISCELLANEOUS

A. Governing Law

This Agreement shall be governed by the laws of the State of California as to all matters, including but not limited to matters of validity, construction, effect and performance.

B. Forum and Venue

All actions regarding this Agreement shall be brought exclusively in a court of competent subject matter jurisdiction in Monterey County, California, and the Parties agree that venue in such courts is appropriate.

C. Entire Agreement

This Agreement and its exhibits and any documents referred to herein constitute the complete understanding of the parties and merge and supersede any and all other discussions, agreements and understandings, either oral or written, between the parties with respect to the subject matter hereof.

D. Severability

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions of this Agreement.

E. Amendments or Modifications

Either Party may at any time during the term of this Agreement request amendments or modifications. Requests for amendment or modification of this Agreement shall be in writing and shall specify the requested changes and the justification of such changes. The Parties shall review the request for modification in terms of the regulations and goals relating to the Project(s). Should the Parties consent to modification of the Agreement, then an amendment shall be drawn, approved, and executed in the same manner as the original agreement.

F. Pronouns

The use of any gender pronoun shall be deemed to include all the other genders, and the use of any singular noun or verb shall be deemed to include the plural, and vice versa, whenever the context so requires.

G. Headings

Section headings contained in this Agreement are inserted for convenience only and shall not be deemed to be a part of this Agreement.

H. Assignment

Neither this Agreement nor any rights, duties, or obligations described herein shall be assigned, subcontracted or subgranted by the SUBRECIPIENT without the prior express written consent of both Parties.

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement on the last day and year set forth below.

COMMUNITY HUMAN SERVICES:

COALITION OF HOMELESS SERVICES PROVIDERS:

By:

By:

Name: Robin McCrae

Name: Elliot C. Robinson

Title: Executive Director

Title: Interim Executive Officer

Date: _____

Date: _____

Attachments:

Attachment A: Scope of Services

Attachment B: Project Budget

Attachment C: Lease (Community Human Services with the County of Monterey)

Attachment D: Deed Restriction and Covenant Document

Exhibit “C”
RULES AND REGULATIONS

To be attached when and if produced.

Exhibit “D”

LESSOR’S STATEMENT REGARDING DISABILITY ACCESS & CERTIFIED ACCESS SPECIALIST INSPECTION (CASp) REPORT

Pursuant to California Civil Code Section 1938 (a), LESSOR represents that the Premises [] has [X] has not undergone inspection by a Certified Access Specialist (CASp).

Pursuant to California Civil Code Section 1938 (b), if the Premises has undergone inspection by a CASp, and to the best of LESSOR’s knowledge, there have been no modifications or alterations completed or commenced between the date of the inspection and the date of execution of the Lease Agreement which have impacted the subject premises' compliance with construction related accessibility standards, LESSOR shall provide, prior to execution

of the Lease Agreement, a copy of any report prepared by the CASp with an agreement from LESSEE that information in the report shall remain confidential, except as necessary for the LESSEE to complete repairs and corrections of violations of construction related accessibility standards that the LESSEE agrees to make.

Pursuant to California Civil Code Section 1938 (c), making any repairs or modifications necessary to correct violations of construction related accessibility standards that are noted in a CASp report is presumed to be the responsibility of the LESSOR, unless otherwise mutually agreed upon by LESSOR and LESSEE. LESSEE shall have the opportunity to review any CASp report prior to execution of the Lease. If the report is not provided to the LESSEE at least 48 hours prior to execution of the Lease Agreement, LESSEE shall have the right to rescind the Lease, based upon the information contained in the report, for 72 hours after execution of the Lease Agreement.

Pursuant to California Civil Code Section 1938 (d), if the Premises have been issued an inspection report by a CASp, as described in paragraph (1) of subdivision (a) of Section 55.53, indicating that it meets applicable standards, as defined in paragraph (4) of subdivision (a) of Section 55.52, LESSOR shall provide a copy of the current disability access inspection certificate and any inspection report to LESSEE not already provided pursuant to subdivision (b) within seven (7) days of the date of the execution of the Lease Agreement.

Pursuant to California Civil Code Section 1938 (e), if the Premises have not been issued a disability access inspection certificate, as described in subdivision (e) of Section 55.53, LESSOR shall state the following on the Lease Agreement:

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

Exhibit “E”

PROPOSITION 65 WARNING

CALIFORNIA PROPOSITION 65 WARNING. This warning is provided in compliance with the requirements of California’s Proposition 65, due to exposure to formaldehyde and other chemicals known to the State to cause cancer and birth defects or other reproductive harm, from exposures to materials used in and around the construction site of _____ California.

“WARNING: MATERIALS INCLUDED IN THE CONSTRUCTION OF THE PREMISES AND PROPERTY WILL EXPOSE YOU TO FORMALDEHYDE AND OTHER CHEMICALS KNOWN TO THE STATE OF CALIFORNIA TO CAUSE CANCER AND BIRTH DEFECTS OR OTHER REPRODUCTIVE HARM. FURTHER INFORMATION MAY BE OBTAINED FROM THE MANAGER/OWNER.”

This warning is provided to inform tenants of the exposure to formaldehyde and other chemicals known to the State to cause cancer and birth defects or other reproductive harm. The exposures are caused by the materials of which the office buildings on this site are constructed. **Environmental exposures to chemicals known to the State of California to cause cancer and birth defects or other reproductive harm will continue for as long as _____ engages in ongoing construction on and around the surrounding property.**

Formaldehyde. The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of homes in California. Levels of formaldehyde that present a significant cancer risk have been measured in most homes and offices. Formaldehyde is present in the air because it is emitted by a variety of building materials and products purchased by the builder from materials suppliers. These materials and products include carpeting, pressed wood products, insulation, plastics, and glues.

Other Chemicals. The Premises and/or ongoing construction sites in this development have not been tested. Given the cost of testing, it is not feasible to test every rental property and nearby construction site to ascertain the level of formaldehyde or other carcinogens and reproductive toxicants present in the rental property or ongoing construction sites nearby. Most homes, offices and construction sites that have been tested elsewhere do contain formaldehyde as well as other carcinogens and reproductive toxicants, although their concentrations vary from property to property with no obvious explanations for the differences. One of the problems is that many of the suppliers of building materials and products do not provide information on chemical ingredients to their builders. In the absence of specific information on these leased premises, and in light of the materials used in and around their construction, we believe that a warning is necessary.

Please provide this warning to invitees and guests entering this leased property. You may have further questions about these issues. _____, has made no inquiries of our material suppliers concerning these matters. _____ is willing to provide, upon request, the names of known material suppliers, which may be contacted for further information.

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