

**Certification Regarding Non-Application of Relocation Benefits and
Indemnification Agreement**

Sun Rose Housing

Certification Regarding Non-Application of Relocation Benefits

This document is used by the Sponsor of a housing project to show and certify that no relocation plan was necessary for the project. The certification is regarding a certain project known as Sun Rose Housing, located at 439 Soledad St. Salinas, CA 93901 (the "Project").

This Certification is made by Interim Inc., a California nonprofit public benefit corporation and County of Monterey, a California public entity (collectively the "Sponsor"), for the benefit of the Department of Housing and Community Development, a public agency of the State of California, its successors and assigns (the "Department"), and is dated as of June 17, 2021 for reference purposes. The Sponsor, through its organizational structure, will control a to-be formed borrower (the "Borrower"), which will own the aforementioned Project.

In conducting its due diligence, the Department requested that the Sponsor provide any and all information relating to potential relocation issues involving the Project. In response, Sponsor provided the Department the following information and documents supporting its position that no relocation was necessary. The documents listed below are incorporated by reference as **Exhibit A**:

1. Land Appraisal Report dated September 27, 2019, prepared by Appraisal Resource Group.
 - a. "This appraisal values the land only and is based on the hypothetical condition that the existing home has been demolished and the land is vacant and unimproved." (Page 1 of the Report)
2. Individual Grant Deed between Lee T. Bookout and Interim Inc. dated February 6, 1980.
3. Letter from Goldfarb Lipman attorneys, dated December 17, 2019.
4. 7 "Transitional Rental Agreements" that included "Notices to Prospective Tenants" that explained the tenant's non-eligibility for relocation benefits since the tenants was signing and moving into the property after the "Owner made the decision to demolish the

house” and use “federal and state funds to assist with the development of the Project.”

Sun Rose Housing is an 18-unit new construction project with 10 efficiency units and 7 one-bedroom units serving households with incomes ranging from 30-50 percent of Area Median Income (AMI), and 1 manager unit. Of the total units, 2 efficiency units and 7 one-bedroom units will be reserved for NPLH qualified households with incomes at or below 30 percent AMI. Each unit will have Refrigerator, Range, Microwave, and Curtains/Blinds. On-site amenities include Elevator, Laundry Room including Washer and Dryers, Community Room, Community Kitchen, Office Support for Support Services and Computer Area in the Community Room. Off-site amenities, located within two miles of the project include public transportation, shopping, medical services, recreation, schools, and employment.

The Sponsor was awarded \$2,958,054.00 No Place Like Home (NPLH) funds. All Department funding, including but not limited to those funds that are described above and any and all other HCD funding (loans or grants) that may not have been awarded or identified at the time of the execution of this document is collectively referred to as “Department Funding.” The Sponsor fully warrants and represents, as detailed here, that the Project is not subject to Relocation Law as described below.

Sponsor acknowledges the following:

Relocation as a body of law is detailed under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (“Federal Relocation Law”); California Government Code 7260 et seq, and the Relocation Regulations (Title 25 of the California Code of Regulations Section 6000 et seq) (“State Relocation Law”). Collectively “Federal Relocation Law” and “State Relocation Law” are referred to hereinafter as “Relocation Law”.

Sponsor acknowledges that Federal and State Relocation Assistance laws provide uniform, fair and equitable treatment for persons whose real property is acquired or who are displaced as a result of government or government-assisted programs or projects. Tenant occupants who are displaced as a result of the acquisition may be eligible for all applicable relocation benefits. A tenant-occupant who moves as a result of a voluntary acquisition for a government-assisted project may be eligible for relocation assistance as a displaced person. Such displaced persons may include not only current lawful occupants, but also former tenants required to move for any reason other than an eviction for cause in accordance with applicable Relocation Law.

Sponsor has not used the services of a recognized relocation specialist in determining that relocation assistance is not applicable.

Representations

The Sponsor represented to the Department the following: the Property will continue serving its current population, occupied by a single family home. Then, subject to local land use approvals, the Project will undergo redevelopment into permanent housing. As a result, no displacement will occur as a result of the Project. If, however, Sponsor changes the use of the Property and the population that it currently serves, it must obtain the Department's prior written consent. At that time, any displaced residents will be entitled to all applicable relocation assistance, services, and benefits as described in the Relocation Law.

The Sponsor has also represented to the Department the following: (a) the land was not intentionally created to be vacant so as to circumvent relocation law; (b) there was no owner-occupant or tenant or mobile home or business (which at minimum includes a parking business, billboards and other forms of outdoor advertising displays) or, farm previously on the vacant land; (c) no person or entity was required to move personal property from vacant land; (d) no advertising signs were lost in creation of the vacant land and (e) there was no 'displaced person' pursuant to Government Code 7260(b), (c) and (d); whereby a "displaced person" is a person who is entitled to relocation assistance when he or she must move from real property, or move personal property from real property, as a direct result of a notice of intent to acquire, or acquisition of real property for a program or project by a public entity, or acquisition by any person having an agreement with or acting on behalf of a public entity; (f) no prior lease (on the vacant land) was intentionally not renewed to create the vacant land; (g) no person's property was acquired in connection with a state or federally funded project; and (h) no person's property was displaced in connection with a state or federally funded project.

The Sponsor fully warrants and represents, and the Department relies upon Sponsor's representation as detailed herein, that the Project is not subject to Relocation Law. This certification of No Relocation encumbers all Department Funding.

Certification

Sponsor certifies that all previous occupants of the to-be-demolished building were transitional housing residents, and either had leases which expired prior to the planned commencement of construction of the Project, without the ability to renew their leases, or were provided with notices advising them of the pending development plans and non-eligibility for relocation benefits at the time they moved on-site, and as a result, no previous occupants were displaced from their homes, businesses, or farms for the Department's Project as a result of an owner refusing to renew a lease, i.e. the property was not vacated for the Project.

The undersigned, the Sponsor, do hereby certify as follows:

1. The foregoing is true and correct;

2. The Sponsor is duly authorized to execute, in its name, all documents and certifications required by the Department in order for it to carry out any construction of the Project and Sponsor will comply with Relocation Law requirements;

3. That the Department would not approve the construction of the Development without this certification; and

4. It is understood that if relocation benefits are found to be applicable then the Sponsor shall prepare a relocation plan and shall be solely responsible for providing the assistance and benefits as applicable and required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (California Government Code 7260 et seq), and the Relocation Guidelines (Title 25 of the California Code of Regulations Section 6000 et seq); and Sponsor shall indemnify and hold harmless the Department from any liabilities or claims for relocation-related costs; (see below Indemnity Agreement.).

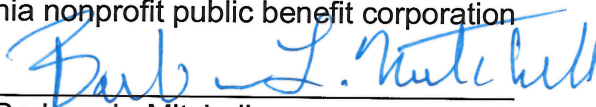
I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

SPONSOR:

Interim Inc.,

a California nonprofit public benefit corporation

By: _____

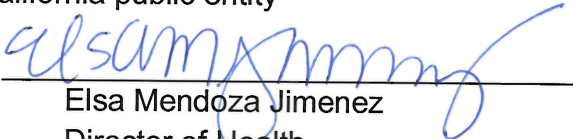

Barbara L. Mitchell
Executive Director

AND

County of Monterey,

a California public entity

By: _____


Elsa Mendoza Jimenez
Director of Health

[Remainder of the page left blank. Indemnification Agreement follows on the next page of this Certification].

Indemnification Agreement

The purpose of the Indemnification Agreement is to allow the Department to be held harmless in connection with any and all potential legal costs and liabilities in conjunction with accepting certification from the Sponsor that permanent or temporary relocation was not necessary under Relocation Law. As part of the construction of the Project, Sponsor agrees to defend, indemnify, release and hold harmless the Department, its agents, officers, attorneys, employees, committees, successors and assignees from any and all claims, liabilities, damages, losses, attorney fees, expenses, costs, actions, or proceedings threatened, asserted, or brought against any of the foregoing individuals or entities related to or arising from the Project. This indemnification shall include, but not be limited to, all damages, liabilities, claims, costs, expenses, attorney fees or expert witness fees that may be asserted by any person or entity, including the Sponsor, except loss or liability suffered by the Department caused solely by the Department's sole negligence or willful misconduct. If, for any reason any portion of this Indemnification Agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect. The obligations of the Sponsor under this Indemnification Agreement shall be absolute and unconditional and shall survive the construction of the Project and all Department funding.

NOTE: The purpose of the Indemnification Agreement is to allow the Department to be held harmless in connection with any and all potential legal costs and liabilities in conjunction with accepting certification from Sponsor that no relocation plan was necessary.

SPONSOR:

Interim Inc.,

a California nonprofit public benefit corporation

By: _____


Barbara L. Mitchell

Executive Director

AND

County of Monterey,

a California public entity

By: _____


Elsa Mendoza Jimenez

Director of Health

Exhibit A

Consists of the following pages:

1. Land Appraisal Report dated September 27, 2019, prepared by Appraisal Resource Group.
 - a. "This appraisal values the land only and is based on the hypothetical condition that the existing home has been demolished and the land is vacant and unimproved." (Page 1 of the Report)
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