

File ID: 2024-02015

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**Grant Agreement with CADA for Monarch Affordable Housing Project (805 R Street)  
[Published for 10-day Review 1/23/2025]**

File ID: 2024-02015

**Location:** 805 R Street, District 4 Represented by Councilmember Pluckebaum

**Recommendation:** Pass a **Motion** authorizing the City Manager or the City Manager’s designee to execute the attached grant agreement with the Capitol Area Development Authority (“CADA”) in the amount of \$3,300,000 (which includes \$3,000,000 in American Rescue Plan Act (ARPA) funds and \$300,000 in State Homeless Housing, Assistance, and Prevention Round 4 (“HHAP-4”) permanent housing funds) for development of the Monarch Affordable Housing Project at 805 R Street.

**Contact:** Ya-yin Isle, City Housing Manager, (916) 808-1869, [yisle@cityofsacramento.org](mailto:yisle@cityofsacramento.org), City Manager’s Office of Innovation and Economic Development

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Monarch Affordable Housing Grant Agreement

**Description/Analysis**

**Issue Detail:** In May 2022, the State of California (“State”) selected Mutual Housing California, a California nonprofit public benefit corporation (“Mutual Housing”), and CADA to develop an affordable housing project on State excess property located at 805 R Street, Sacramento, California 95811, called the Monarch Project (the “Project”).

The Project is a mixed-use affordable housing project, designed and programmed as a key neighborhood transit-oriented development project. Located on a half block infill site within the R Street Corridor in downtown Sacramento, the Project will transform a former State of California storage warehouse into affordable housing. The Project will include a total of 241 units comprised of: two manager units and 239 units serving low-income households that earn between 30% and 70% Area Median Income (AMI). Such low-income units will include 20 units reserved for people experiencing homelessness or at-risk of homelessness. The Project will also include 3,428 square feet of commercial space for art related and/or neighborhood serving businesses and 16,369 square

feet of private and public outdoor spaces.

On October 25, 2022, the City Council adopted Resolution No. 2022-0328 committing City ARPA reinvestment funds to the Project in the amount of \$3 million. However, such \$3 million in ARPA funding has not been dispersed yet and staff is now proposing disbursement of such funds to CADA. Due to rising interest rates and unforeseen required off-site improvements, the cost of the Project has increased, necessitating an increased amount of gap financing. Accordingly, City staff recommends the City also contribute \$300,000 of available HHAP-4 permanent housing funding to support the Project. The \$3,300,000 from the City will be used for predevelopment and construction costs of the 241 housing units (with the HHAP-4 funds specifically allocated to the 20 homeless units). The City's subsidy equates to \$13,693 per unit.

On November 15, 2022, the City Council approved Resolution No. 2022-0353 authorizing the City Manager or the City Manager's designee to submit the HHAP-4 grant funding application, enter into agreements with the State of California and accept the HHAP-4 grant funds. Of the \$24,791,417 HHAP-4 funds awarded to the City of Sacramento, \$4,572,254 was budgeted for delivery of permanent housing. Since that time, \$3,223,000 has been allocated to the Rodeway Inn project through a grant agreement with the Sacramento Housing and Redevelopment Agency (Resolution No. 2023-0018), leaving \$1,349,254 to support permanent housing. With the allocation of \$300,000 to the Project, \$1,049,254 would remain available for other permanent housing projects.

**Policy Considerations:** With Sacramento seeing some of the highest increases in rent in recent years, home prices continuing to rise, and the supply continuing to not meet demand, housing continues to be a priority of the City. The provision of this funding to the Project will aid in the development of additional housing in the Central City, which is supported by the City's General Plan, specifically Policy H-36 in the City of Sacramento Housing Element that speaks to assistance in the development of affordable housing by providing gap financing.

In addition, the financing of permanent housing projects is consistent with the Sacramento Regionally Coordinated Homelessness Action Plan (RCHAP), adopted in March 2024. The Project supports Solution 6 - Permanent Supportive Housing, which seeks to expand housing opportunities and capacity dedicated to meet the housing needs of persons experiencing homelessness.

Sacramento City Code Section 3.04.010(B) requires City Council approval for all agreements involving income or expenditure of \$250,000 or more.

Sacramento City Code Section 4.04.020(C) and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to Council action. This item was published for 10-day review on January 23, 2025, in compliance with the City Code.

**Economic Impacts:** Development of the Project's 241 units (239 affordable housing units and 2 manager units) will provide jobs in the City and stimulate additional jobs needed for the required housing development supply chain.

**Environmental Considerations:** The Department of General Services of the State of California, as the lead agency for the Project, has determined that the Project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15332 (Class 32 - In-Fill Development Project).

**Sustainability:** Development of this site at 805 R Street as a transit-oriented development with affordable housing furthers the goals of sustainability.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The recommendation in this report furthers the City's objective of providing a range of housing for community needs, including affordable housing. Staff are supportive of the Project as it will assist in timely development of transit-oriented development.

**Financial Considerations:** On October 25, 2022, the City Council approved the allocation of \$3 million in ARPA Reinvestment funds to the 805 R Street Monarch Project and this funding has since been set-aside in the FY23 Affordable Housing MYOP (Project I02189050, Fund 1003), where sufficient funding remains for the \$3 million grant to CADA per the attached Grant Agreement. Execution of the attached Grant Agreement would also involve expenditure of \$300,000 of the City's HHAP-4 Permanent Supportive Housing set-aside and sufficient funding exists in the HHAP-4 Operating Grant (Project G02000980, Fund 2702) for such expenditure under the Grant Agreement.

**Local Business Enterprise (LBE):** Not applicable.

**Grant Agreement for Monarch Affordable Housing Project  
805 R Street**

This Grant Agreement (“Agreement”) is entered into as of January 28, 2025 (“Effective Date”) by and between the City of Sacramento, a municipal corporation (“City”) and the Capitol Area Development Authority, a California joint powers authority (“CADA”). City and CADA may be referred to herein individually as the “Party” or collectively as the “Parties.”

**Background**

- A. In 1978, the City of Sacramento and the State of California (“State”) established CADA as a joint powers authority charged with creating new urban infill housing, managing residential and commercial properties owned by the State, and facilitating new residential construction by private developers in the Capitol area. In May 2022, the State selected Mutual Housing California, a California nonprofit public benefit corporation (“Mutual Housing”) and CADA to develop an affordable housing project on State excess property located at 805 R Street, Sacramento, California 95811 (the “Property”), called the Monarch Project (hereinafter referred to as the “Project”). The Project is a mixed-use, affordable housing project, designed and programmed as a key neighborhood transit-oriented development project. The Project developer and borrower is 805 R Mutual Housing Associates, L.P., a California limited partnership (the “Partnership”). CADA’s affiliate, 805 R CADA Association LLC, a California limited liability company (“CADA Association”) is the administrative general partner, and Mutual Housing is the managing general partner. The CADA Association is primarily responsible for the administrative elements of the Project and Mutual Housing is responsible for managing construction of the Project. CADA has an \$8 million commitment of CADA funding to the project, as such, funds transferred by the City to CADA through this agreement will be packaged with CADA’s other committed funding to the Project, consolidating the closing of the financing. As a JPA of the City, CADA will carry out all monitoring requirements for the Project.
- B. The Project will include 241 rental housing units: 239 units serving low-income households and 2 manager units. The Project will serve households that earn between 30% and 70% of the Sacramento Area Median Income (“AMI”), including 20 “permanent housing” rental units reserved for people experiencing homelessness or at-risk of homelessness (the term “permanent” is meant to distinguish such housing from transitional or interim housing). The 239 housing units will be deed-restricted for affordable housing for 55 years. The Project will also include 3,428 square feet of commercial space for art related and/or neighborhood serving businesses and 16,369 square feet of private and public outdoor spaces. It is anticipated that the Project will be completed in the summer of 2027.
- C. The City currently has American Rescue Plan Act (“ARPA”) funding and State Housing, Assistance, and Prevention Program Round 4 (“HHAP-4”) funding available for use and contribution of such funding to the Project is an eligible use of the funds. Accordingly, the City desires to contribute

\$3,000,000 of its ARPA funding and \$300,000 of its HHAP-4 funding towards the Project given the benefits of the Project to the general Sacramento community. Such funding will leverage and be paired with other state and federal resources to complete the Project.

- D. In response to the worldwide spread of COVID-19, the Federal Health and Human Services Secretary declared a national public health emergency in the United States on January 31, 2020; Governor Gavin Newsom proclaimed a state of emergency in the State of California on March 4, 2020; the County of Sacramento proclaimed a public health emergency on March 5, 2020; the City Council declared it a local emergency on March 13, 2020; and on that same day, the President of the United States declared a national emergency.
- E. On March 19, 2020, Governor Newsom issued Executive Order N-33-20, which ordered all California residents to stay home or at their place of residence except as needed to maintain operations of certain federal critical infrastructure sectors. That same day, the Public Health Officer of the County of Sacramento issued a similar stay-at-home order which made exceptions only to do essential activities, conduct essential government functions, and operate essential businesses. On June 15, 2021, the State moved forward with re-opening the economy and began the process of winding down many of the Executive Orders put in place since the beginning of the pandemic.
- F. Prior to the reopening of the State, the federal American Rescue Plan Act of 2021 (“ARPA”) was signed into law on March 11, 2021. The ARPA builds upon previously enacted aid measures such as the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). Under the ARPA, the City received approximately \$112,313,331 from the “Coronavirus Local Fiscal Recovery Fund” (\$56,156,665.50 in May 2021 and \$56,156,665.50 in May 2022) of the federal Department of the Treasury. The Assistance Listing Number assigned to ARPA funds is 21.027.
- G. On October 19, 2021, the City Council adopted Resolution 2021-0313, which among other things, established the ARPA Reinvestment Fund (“ARPARF”), allocated \$112.2 million of ARPA funds to provide government services, and budgeted the resulting available resources in the ARPARF to assist with the recovery and reopening resulting from the impacts of COVID-19, including projects and programs to address small business and commercial corridor revitalization, homeless and housing, youth workforce training, and gang prevention.
- H. The ARPA provides that payments from the Coronavirus Local Fiscal Recovery Fund may only be used: “(a) To respond to the public health emergency [with respect to the Coronavirus Disease 2019 (COVID-19)] or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (b) To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers; (c) For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and (d) To make necessary investments in water, sewer, or broadband infrastructure.”

- I. On October 25, 2022, the City Council approved Resolution 2022-0328 committing City ARPA funds to the Project in the amount of \$3,000,000. Such \$3,000,000 in funding has not been dispersed yet though and is now being granted to CADA per this Agreement. The Project will deliver much-needed affordable housing, consistent with the City’s Housing Element site inventory and the City’s Regional Housing Needs Allocation (RHNA).
- J. The use of ARPA funds in accordance with this Agreement is consistent with the ARPA in that the funds will be invested into an affordable housing project helping underserved individuals who were negatively affected by the COVID-19 public health emergency or its negative economic impacts.
- K. The State established the Homeless Housing, Assistance, and Prevention Program – Round 4 (“HHAP-4”) pursuant to Health and Safety Code section 50218.7. HHAP-4 was initially administered by the California Interagency Council on Homelessness (“Cal ICH”), but is now administered by the State’s Department of Housing and Community Development (“HCD”).
- L. Further, City Resolution 2023-0036 authorized the City Manager to execute the HHAP-4 Standard Agreement with the State (the “HHAP-4 Agreement”), to accept and administer \$24,791,417 of HHAP-4 grant funding, and to commit \$4,572,254 of HHAP-4 grant funding towards “permanent housing” projects.
- M. Under this Agreement, the City is providing a subaward of \$300,000 of the “permanent housing” HHAP-4 funds to CADA for the 20 homeless units of the Project. The Parties acknowledge that this subaward furthers the HHAP-4 purpose of continuing to build on regional coordination developed through previous rounds of funding of HHAP and the Regionally Coordinated Homelessness Action Plan to expand permanent housing to reduce homelessness.
- N. On January 28, 2025, the City Council authorized the commitment of \$300,000 in HHAP-4 “permanent housing” funding towards the 20 homeless units of the Project by approving execution of this Agreement. The use of HHAP-4 funds in accordance with this Agreement is consistent with the HHAP-4 Agreement in that funds will expand affordable permanent housing opportunities.
- O. Based on the foregoing, the City desires to grant to CADA, on the terms and conditions set forth herein, ARPA funds and HHAP-4 funds in a total amount of \$3,300,000 (the “Grant Funds”) to be used in connection with predevelopment and construction costs associated with development of the Project, which will increase the supply of affordable rental housing in the City.

***Based on the facts in the foregoing Background, the Parties hereby agree as follows:***

1. **Term.** This Agreement takes effect as of the Effective Date set forth above and will terminate one year after the Project receives its Certification of Occupancy, unless sooner terminated under Section 7 below.
2. **Disbursement of Funds.** The City shall disburse to CADA a total sum not to exceed \$3,300,000 in one lump sum within seven (7) business days from the Effective Date. The funds disbursed by the City under this Agreement are referred to as the "Grant Funds." In no instance will the City be liable for any payments or costs in excess of this amount, for any unauthorized or ineligible costs.
3. **Progress Reports.** On a monthly basis until all Grant Funds are expended, CADA shall provide the City with a written report on the progress made on the Authorized Activities (in accordance with Section 8(f) below) and a detailed accounting of costs incurred in sufficient detail for the City, in its opinion, to substantiate the costs. The City may request any additional reasonable documentation it determines is needed to substantiate use of the Grant Funds for the Authorized Activities. CADA must also comply with any reporting requirements imposed by the State pursuant to the City's HHAP-4 Standard Agreement attached hereto as Attachment 3.
4. **Authorized Uses.** The following terms apply to CADA's activities and expenditures related to this Agreement:
  - (a) CADA may use the Grant Funds solely for costs it incurs that are necessary to carry out the activities listed in Attachment 1 ("Authorized Activities") in accordance with the budget listed in Attachment 2 ("Approved Budget"). If a term included in Attachment 1 is stated as an obligation, then CADA is obligated to perform the term under this Agreement.
  - (b) CADA may use the Grant Funds solely for eligible costs for the Project between the Effective Date of this Agreement and completion of construction of the Project. If CADA receives a refund or credit for any cost for which it received a payment of the Grant Funds, CADA shall return Grant Funds in an amount equal to the refund or credit to the City by check payable to the City and delivered to the City at the address shown in Section 9 no later than 10 calendar days following receipt of such refund or credit, unless otherwise agreed to, in writing, by the City.
  - (c) Any costs that are determined by subsequent audit to be unallowable are subject to repayment by CADA to the City within 60 calendar days unless the City approves in writing an alternative repayment plan. This paragraph shall survive termination of the Agreement.
  - (d) CADA shall not use the Grant Funds to supplant funding provided by the City to CADA under any other agreement for the Project. CADA shall require that a term is included in every agreement and contract involving the expenditure of Grant Funds that prohibits the recipient of Grant Funds from using the Grant Funds to supplant funding provided by the City directly or indirectly to the recipient.

(e) If CADA has received other ARPA or ARPARG funds from the City, ARPA funds any other entity, or has received other federal funds for the Project (e.g., Coronavirus Relief Act funds, payroll protection act loan, etc.), CADA shall not use the ARPARG funds awarded pursuant to this Agreement to pay for direct or indirect Project costs already covered by the other federal funds, ARPA payments, or ARPARG payments.

**5. Books and Records.** During the term of this Agreement and for five years after the termination or expiration of this Agreement, CADA shall keep appropriate books, records, and accounts in connection with the Grant Funds and activities performed under this Agreement and is subject to the following:

(a) CADA shall maintain all records related to this Agreement in accordance with generally accepted accounting practices and applicable provisions of the City's HHAP-4 Standard Agreement attached hereto as Attachment 3, including the following records: (i) general ledger and subsidiary ledgers used to account for the receipt of Grant Funds and the disbursements of Grant Funds to meet eligible expenses; (ii) budget records for all fiscal years covered by this Agreement; (iii) payroll, time records, human resource records to support costs incurred for payroll expenses related to this Agreement; (iv) receipts of purchases made related to this Agreement; (v) contracts and subcontracts entered into using Grant Funds and all documents related to such contracts; (vi) grant subaward agreements entered into using Grant Funds and all documents related to such awards; (vii) all documentation of reports, audits, and other monitoring of contractors, subcontractors, CADA, and subrecipients; (viii) all documentation supporting the performance outcomes of contracts, subcontracts, grant subaward agreements, and this Agreement; (ix) all internal and external email/electronic communications related to use of Grant Funds; and (x) all investigative files and inquiry reports involving payment of Grant Funds.

(b) CADA shall make its books, records, and accounts (both those that relate to this Agreement and those that do not), employees, performance-related records, property, and equipment related to this Agreement available to the City's Accounting Manager (the "Accounting Manager"), the City Auditor, any independent auditor, and any State representative administering HHAP funds at all reasonable times so that the Accounting Manager, City Auditor, independent auditor, or State representative may determine whether CADA has complied with this Agreement. If the City requests, CADA shall obtain and provide to the City, at the CADA's sole cost, an independent financial audit of the CADA's use of the Grant Funds.

(c) Upon demand by the City, given in accordance with Section 9, CADA shall reimburse the City for all Grant Funds that the Accounting Manager, City Auditor, independent auditor, or State representative administering HHAP funds determines were expended for activities other than Authorized Activities in accordance with this Agreement, with reimbursement to be by check payable to the City and delivered to the City at the address shown in Section 9. This paragraph shall survive termination of the Agreement.



**6. Supervision or Discipline of Minors.** In connection to the Project, CADA shall not employ a person, whether as an employee, contractor, or volunteer, in a position with supervisory or disciplinary authority over a minor in connection with this Agreement if the person has been convicted of an offense identified in California Public Resources Code section 5164, subdivision (a)(2). To give effect to this section, in connection to the Project, CADA shall conduct a criminal background check on each person it employs in a position with supervisory or disciplinary authority over a minor.

**7. Termination.**

(a) The City may terminate this Agreement under the circumstances set forth below by giving written notice of such termination to CADA:

- (1) CADA has failed to perform, or has performed unsatisfactorily, any term of this Agreement, including failing to use the Grant Funds solely for the Authorized Activities, and has not cured such failure within thirty (30) days of notice from the City;
- (2) CADA has made (with or without knowledge) any material misrepresentation of any nature with respect to any information or statements furnished to the City in connection with this Agreement;
- (3) There is pending litigation with respect to the performance by CADA of any of CADA's duties or obligations under this Agreement that may materially jeopardize or adversely affect the undertaking of or the carrying out of the Authorized Activities;
- (4) The Partnership does not receive any remaining governmental approvals required and/or desired for the development of the Property, despite the Partnership's reasonable efforts to obtain such approvals;
- (5) The Partnership determines, in its commercially reasonable discretion, that any remediation work with respect to hazardous materials on the Property, or addressing other physical conditions of the Property, or other costs, conditions or requirements of or for the Project are so expensive as to make the Project financially infeasible; or
- (6) The Partnership does not receive commitments of all financing or reasonable substitutions therefor that are necessary to acquire, construct, and operate the Project, despite the Partnership's reasonable efforts to obtain such funding.

(b) Following termination:

- (1) Neither Party shall have any rights or obligations under this Agreement, except as provided in Section 7(b)(2) below and except for provisions of the Agreement that expressly survive such termination shall remain in full force and effect; and

(2) CADA shall return to the City any Grant Funds that the Accounting Manager, City Auditor, or an independent auditor determines were not expended in accordance with this Agreement or any Grant Funds that have not yet been expended by CADA on the performance of the Authorized Activities for the Project, within 60 calendar days of the notice of termination unless the City approves in writing an alternative repayment plan. Any return of funds shall be made by check payable to the City and delivered to the City at the address shown in Section 9.

**8. Pass-through Entity and Subrecipient Requirements.** In connection with its activities and expenditures related to this Agreement, CADA shall do the following:

- (a) Ensure that documented federally-compliant procurement procedures are utilized for disbursement of the Grant Funds. If CADA or a downstream entity disbursing the Grant Funds does not have documented federally-compliant procurement procedures, the City's procurement standards in AP4001, AP4101, AP4102, and AP4002 should be followed when contracting for goods, services, or public projects (as defined in AP4002);
- (b) CADA shall comply with the provisions of title 24, Code of Federal Regulations, Part 24, relating to the employment, engagement of services, awarding of contracts, or funding of any contractors or subcontractors during any period of debarment, suspension, or placement in ineligibility status;
- (c) CADA shall enter into a written agreement with the Partnership for a 55-year affordability term on the Project;
- (d) CADA shall enter into written agreements when it makes expenditures of the Grant Funds.
- (e) CADA shall ensure that each written agreement involving expenditure of Grant Funds imposes on the subrecipient all the obligations that this Agreement imposes on CADA;
- (f) On a monthly basis, CADA shall provide the City with a written report on the progress made on the Authorized Activities. This monthly report must include all the following: (i) a narrative explanation of CADA's progress toward all goals set forth in the Authorized Activities; (ii) an itemized list of all expenditures of Grant Funds to date, including the amount of Grant Funds used and the names of any contractors or other entities paid with Grant Funds and the amount paid; and (iii) any other information the City may reasonably request to demonstrate that the Grant Funds are being used solely for Authorized Activities and in accordance with this Agreement and all applicable laws; and
- (g) No later than sixty days following the final disbursement of the Grant Funds to the Partnership under this Agreement, CADA shall provide the City with a closeout report that includes all the following: (i) an itemized list of all expenditures of the Grant Funds; (ii) the name of each entity or contractor who is paid with Grant Funds; (iii) the amount of each expenditure of Grant Funds;

(iv) the amount of each contract for the expenditure of Grant Funds; (v) a copy of the Project documents between CADA and the Partnership involving use of the Grant Funds; (vi) a copy of each contract involving the expenditure of all or a portion of the Grant Funds; (vii) all information required to be reported under Attachment 1; and (viii) any other information that the City may reasonably request to demonstrate that the Grant Funds were used solely for Authorized Activities in accordance with this Agreement. CADA shall include with the report a certification that it used the Grant Funds solely for Authorized Activities in accordance with the terms of this Agreement. In addition to the closeout report, upon full expenditure of the Grant Funds, CADA shall provide the City monitoring information on the affordability of the units on an annual basis for the term of this Agreement.

- 9. Notices.** Any notice, request, report, or demand under this Agreement must be in writing and will be considered properly given and effective only when mailed or delivered in the manner provided by this Section 9 to the persons identified below or their successors. A mailed notice, application, request, report, or demand will be effective or will be considered to have been given on the third calendar day after it is deposited in the United States Mail (certified mail and return receipt requested), addressed as set forth below, with postage prepaid. A notice, application, request, report, or demand sent in any other manner will be effective or will be considered properly given when actually delivered. Any Party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this section.

*If to the City:*

City of Sacramento  
Office of the City Manager  
915 I Street, 5th Floor  
Sacramento, California 95814  
Attention: Housing Manager

*If to the CADA:*

Capitol Area Development Authority (CADA)  
1522 14<sup>th</sup> Street  
Sacramento, California 95814-5958  
Attention: Executive Director

- 10. Indemnity.** CADA shall defend, hold harmless and indemnify the City, its officers and employees, and each and every one of them, from and against any and all third-party actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by the City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (collectively, "Liabilities"), including Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way related to this Agreement, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated,

settled or reduced to judgment, except that the foregoing indemnity does not apply to Liabilities from any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of the City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the direct supervision and control of CADA. CADA shall also defend, hold harmless and indemnify the City, its officers and employers, and each and every one of them, from and against any Liabilities related to the enforcement of Section 5 of this Agreement resulting from actions brought by any party.

**11. Insurance.** During the term of this Agreement, CADA shall maintain insurance coverage as follows:

- (a) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the CADA, its subcontractors, products and completed operations of CADA, its subcontractors, and premises owned, leased, or used by the CADA, its subcontractors, with limits of not less than two million dollars (\$2,000,000) per occurrence. The policy must provide contractual liability and products and completed operations coverage for the term of the policy.
- (b) The minimum limits of insurance required by Section 11(a) may be satisfied by a combination of primary and umbrella or excess insurance coverage; provided that any umbrella or excess insurance must contain, or be endorsed to contain, a provision that it applies on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by the City, its officials, employees, or volunteers is in excess of such umbrella or excess coverage and does not contribute with it.
- (c) The City, its officials, employees, and volunteers must be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of CADA and its subcontractors; products and completed operations of CADA and its subcontractors; and premises owned, leased, or used by CADA and its subcontractors.
- (d) The policies must contain, or be endorsed to contain, the following provisions:
  - (1) CADA's insurance coverage, including excess insurance, is primary insurance as respects the City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees, or volunteers is in excess of CADA's insurance and does not contribute with it.
  - (2) Any failure to comply with reporting provisions of the policies does not affect coverage provided to the City, its officials, employees, or volunteers.
  - (3) Coverage must state that CADA's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

- (e) CADA shall provide the City with 30 days' written notice of cancellation or material change in the policy language or terms.
- (f) Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms, or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the City in writing prior to execution of this Agreement.
- (g) CADA shall furnish the City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of policies shall be delivered to the City representative named in Section 9 on demand.
- (h) CADA shall send all insurance certificates and endorsements, including policy renewals, during the term of this Agreement directly to:

City of Sacramento  
c/o Exigis LLC  
PO Box 947  
Murrieta, CA 92564

Certificate Holder must be listed as:

City of Sacramento  
c/o Exigis LLC  
PO Box 947  
Murrieta, CA 92564

- (i) The City may withdraw its offer of contract or terminate this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The City may withhold payments to CADA or terminate the Agreement if the insurance is canceled or CADA otherwise ceases to be insured as required by this Section 11.
- (j) Any available insurance proceeds in excess of the specified minimum limits and coverages must be made available to the City.
- (k) CADA's liability to the City is not in any way be limited to or affected by the amount of insurance coverage required or carried by the CADA in connection with this Agreement.

**12. Conflicts of Interest.** CADA, its officers, directors, employees, agents, and subcontractors shall not have or acquire any interest, directly or indirectly, that creates an actual or apparent conflict with the interests of the City or that in any way hinders CADA's performance under this Agreement.

### 13. Miscellaneous.

- (a) *Assignment.* CADA may not assign or otherwise transfer this Agreement or any interest in it without the City's written consent, which the City may grant or deny in its sole discretion. An assignment or other transfer made contrary to this Section 13(a) is void.
- (b) *Successors and Assigns.* This Agreement binds and inures to the benefit of the successors and assigns of the parties. This Section 13(b) does not constitute the City's consent to any assignment of this Agreement or any interest in this Agreement.
- (c) *Interpretation.* This Agreement is to be interpreted and applied in accordance with California law. Attachments 1, 2, and 3 are part of this Agreement.
- (d) *Waiver of Breach.* A Party's failure to insist on strict performance of this Agreement or to exercise any right or remedy upon the other Party's breach of this Agreement will not constitute a waiver of the performance, right, or remedy. A Party's waiver of the other party's breach of any term or provision in this Agreement is not a continuing waiver or a waiver of any subsequent breach of the same or any other term or provision. A waiver is binding only if set forth in writing and signed by the waiving party.
- (e) *Severability.* If a court with jurisdiction rules that any nonmaterial part of this Agreement is invalid, unenforceable, or contrary to law or public policy, then the rest of this Agreement remains valid and fully enforceable.
- (f) *Counterparts.* The parties may sign this Agreement in counterparts, each of which is considered an original, but all of which constitute the same Agreement. Facsimiles, pdfs, and photocopies of signature pages of the Agreement have the same binding effect as originals. The Parties agree that this document may be executed by electronic signatures.
- (g) *Time of Essence.* Time is of the essence in performing this Agreement.
- (h) *Compliance with all Laws, Requirements, and Orders.* CADA shall comply with all applicable laws, regulations, orders of public officials, and requirements in connection with this Agreement, including all non-discrimination and equal opportunity laws to ensure that CADA does not deny benefits or services or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity).
- (i) *Authority to Sign.* The person signing this Agreement on CADA's behalf represents that he or she is authorized to do so and that no further action beyond his or her signature is required to bind CADA to this Agreement. City shall have no obligations whatsoever under this Agreement, unless and until this Agreement is executed by the City Manager or the City Manager's authorized

designee.


- (j) *Tax Implications and Consequences.* The City makes no representations as to the tax consequences associated with the disbursement of Grant Funds related to this Agreement, and any determination related to this issue is the sole responsibility of CADA. CADA acknowledges consulting with its own tax advisors or tax attorneys regarding this transaction or having had an opportunity to do so prior to signing this Agreement. CADA acknowledges the City cannot provide advice regarding the tax consequences or implications of the ARPA funds disbursed to CADA under the terms of this Agreement.
  
- (k) *Integration and Modification.* This Agreement sets forth the Parties' entire understanding regarding the matters set forth above and is intended to be their final, complete, and exclusive expression of those matters. It supersedes all prior or contemporaneous agreements, representations, and negotiations – written, oral, express, or implied – and may be modified only by another written Agreement signed by both Parties.

*(Signature Page Follows)*

**CITY OF SACRAMENTO,  
a municipal corporation**

**CAPITOL AREA DEVELOPMENT AUTHORITY,  
a California joint powers authority**

\_\_\_\_\_  
Michael Jasso, Assistant City Manager

  
\_\_\_\_\_  
Danielle Foster (Jan 21, 2025 13:59 PST)  
Danielle Foster, Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Maila Hansen (Jan 21, 2025 20:24 PST)  
Senior Deputy City Attorney

  
\_\_\_\_\_  
Legal Counsel

ATTEST:

\_\_\_\_\_  
City Clerk



## **Attachment 1 Authorized Activities**

CADA shall use the Grant Funds solely to do the following:

1. ARPA Funds - Contribute towards the construction and predevelopment costs of the Project, including but not limited to costs for design, engineering, permits, utilities, and construction of the Project's 241 housing units (239 are affordable units – which includes 20 units for people experiencing or at risk of homelessness – and 2 manager units).
2. HHAP-4 Funds – Contribute towards the construction and predevelopment costs of the 20 homeless housing units of the Project, including but not limited to costs for design, engineering, permits, utilities, and construction of the Project's 20 homeless housing units.
3. Grant Funds shall not be used for any administrative costs or fees CADA incurs as it relates to the Project.

CADA's use of the Grant Funds must also comply with the following terms and conditions:

1. In utilizing any Grant Funds, CADA must comply with all conditions set forth in the City's HHAP-4 Standard Agreement attached hereto as Attachment 3. Failure to comply with these conditions may result in termination of this Agreement and repayment of any ineligible expenditures.
2. Performance of the Authorized Activities and construction of the Project must be in accordance with federal, state and local laws and regulations, including housing and building codes as applicable.
3. CADA must maintain (or ensure that such insurance is maintained): the minimum State-required worker's compensation for those employees who will perform the Authorized Activities or any part of it.
4. If any of the activities listed in Attachment 1 are subject to the prevailing wage requirements under section 1720 et seq. of the California Labor Code, then CADA shall require its contractor and subcontractors to adhere to those requirements, including the following: contracts between the contractor and subcontractors must include provisions requiring the payment of prevailing wage; the contractor shall monitor subcontractors' payment of prevailing wage by periodically reviewing certified payroll records and diligently taking corrective action if the subcontractors fail to pay prevailing wage; contractor and subcontractors shall maintain certified payroll records and time records. The contractor to whom a contract is awarded, and any subcontractor under such contractor, shall not pay less than the specified prevailing wage; contractor and subcontractors are subject to penalties for violations of prevailing wage provisions. CADA

shall indemnify, hold harmless, and defend the City from all additional wages, benefits, fees, damages, penalties, fines, legal fees, court costs, arbitration costs, and other costs arising from CADA's or its contractor's improper application of California's prevailing wage laws to the activities listed in Attachment 1. If all applicable labor compliance requirements are not met, then upon demand by the City, given in accordance with Section 9, CADA shall reimburse the City for all Grant Funds spent on construction or related services, in whole or in part, with reimbursement to be by check payable to the City and delivered to the City at the address shown in Section 9.

5. CADA and its contracted partners for the Authorized Activities must maintain as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by CADA or any subgrantee or subrecipient in performing the Authorized Activities or any part of it.
6. CADA must include all the terms of this Agreement in each contract for the Authorized Activities.
7. For the term of this Agreement, CADA must ensure that the Partnership obtains and maintains a property management agreement with a top quality and duly accredited real estate property management company for the management of the Project and shall assure compliance of the property manager with such agreement. The City reserves the right to review and approve the property management agreement as adequate and the property management company as top quality and duly accredited. The City shall have the right to review and approve any proposed changes to the scope of said agreement and to changes in the real estate property management company, prior to CADA's making such changes.
8. For the term of CADA's 55-year Regulatory Agreement with the Partnership, CADA shall cause the Partnership to maintain the Project, units, and the building improvements, grounds, and equipment on the Property in good repair and condition and in compliance with all applicable provisions of the Sacramento City Code and building code requirements. CADA shall cause the Partnership to keep the Project reasonably free from graffiti and unrepaired vandalism and from accumulation of abandoned property, inoperable vehicles, unenclosed storage, debris, and waste materials. Subject to the requirements of any senior lender for the Project, in the event of a casualty loss, CADA shall cause the Partnership to cause the restoration or replacement of the Project in a timely manner, provided that such restoration or replacement is then economically feasible.

**Attachment 2**  
**Budget Narrative and Table**

**Budget Narrative:**

The \$3,000,000 ARPA funding will be used for predevelopment and construction costs of the Project's 241 housing units (239 affordable units – which includes 20 units for people experiencing or at risk of homelessness – and 2 manager units). The \$300,000 of HHAP-4 funding will be used for predevelopment and construction costs of the Project's 20 homeless housing units. The budget breakdown is as follows:

<b>Project Cost</b>	<b>Cost Per Unit</b>	<b>Total Cost</b>
Predevelopment & Construction Costs of the Project's Housing Units (241 total units)	\$12,448	\$3,000,000
Additional Subsidy for Predevelopment & Construction of the Project's homeless housing units (20 units)	\$15,000	\$300,000
<b>TOTAL</b>	<b>\$13,693</b>	<b>\$3,300,000</b>

The Grant Funds will be provided in a lump sum to CADA per Section 2 of the Agreement.

### Attachment 3 - HHAP-4 Standard Agreement

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER <b>23-HHAP-10012</b>	PURCHASING AUTHORITY NUMBER (If Applicable) <b>010725</b>
--	--

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME  
 Business, Consumer Services and Housing Agency

CONTRACTOR NAME  
 City of Sacramento

2. The term of this Agreement is:

START DATE  
 6/30/2023

THROUGH END DATE  
 12/31/2027

3. The maximum amount of this Agreement is:  
 \$24,791,417.00 (Twenty Four Million Seven Hundred Ninety One Thousand Four Hundred Seventeen Dollars and No Cents)

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Authority, Purpose and Scope of Work	8
Exhibit B	Budget Detail and Disbursement Provisions	3
Exhibit C	General Terms and Conditions	10
+ - Exhibit D	Special Terms and Conditions	2
+ - Exhibit E	State of California General Terms and Conditions	1

*Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.*

*These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>*

**IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.**

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)  
 City of Sacramento

CONTRACTOR BUSINESS ADDRESS 915 I Street	CITY Sacramento	STATE CA	ZIP 95814
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PRINTED NAME OF PERSON SIGNING Michael A. Jasso	TITLE Assistant City Manager
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CONTRACTOR AUTHORIZED SIGNATURE  <small>Michael A. Jasso (May 31, 2023 08:24 PDT)</small>	DATE SIGNED May 31, 2023
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STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER <b>23-HHAP-10012</b>	PURCHASING AUTHORITY NUMBER (If Applicable) <b>010725</b>
--	--

**STATE OF CALIFORNIA**

CONTRACTING AGENCY NAME <b>Business, Consumer Services and Housing Agency</b>				
CONTRACTING AGENCY ADDRESS <b>500 Capitol Mall, Suite 1850</b>		CITY <b>Sacramento</b>	STATE <b>CA</b>	ZIP <b>95814</b>
PRINTED NAME OF PERSON SIGNING <b>Lourdes Castro Ramírez</b>		TITLE <b>Secretary</b>		
CONTRACTING AGENCY AUTHORIZED SIGNATURE 		DATE SIGNED <b>Jun 30, 2023</b>		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL		EXEMPTION (If Applicable)		

**Homeless Housing, Assistance, and Prevention Program Round 4 (HHAP-4)  
Standard Agreement  
Contract for Funds**

**EXHIBIT A**

**AUTHORITY, PURPOSE AND SCOPE OF WORK**

**1) Authority**

The State of California has established the Homeless Housing, Assistance, and Prevention Program Round 4 (“HHAP-4” or “Program”) pursuant to Chapter 6 (commencing with Health and Safety Code (HSC) section 50216) of Part 1 of Division 31 of the Health and Safety Code. (Amended by Stats. 2021, Ch. 111, Sec. 4. (AB 140) Effective July 19, 2021.)

The Program is administered by the California Interagency Council on Homelessness (“Cal ICH”) in the Business, Consumer Services and Housing Agency (“Agency”). HHAP-4 provides flexible block grant funds to Continuums of Care, large cities (population of 300,000+) and counties to build on the regional coordination created through previous Cal ICH grant funding and support local jurisdictions in their unified regional responses to reduce and end homelessness.

This Standard Agreement/Contract for Funds along with all its exhibits (“Agreement”) is entered into by Cal ICH and a Continuum of Care, a city, or a county (“Grantee”) under the authority of, and in furtherance of the purpose of, the Program. In signing this Agreement and thereby accepting this award of funds, the Grantee agrees to comply with the terms and conditions of this Agreement, and the requirements appearing in the statutory authority for the Program cited above.

**2) Purpose**

The general purpose of the Program is to (1) reduce homelessness by expanding or developing local capacity to address immediate homelessness challenges informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing; and (2) continue to build on regional coordination developed through previous rounds of HHAP funding (Chapter 6 (commencing with HSC section 50216)).

This funding shall:

- a) Continue to build regional collaboration between continuums of care, counties, and cities in a given region, regardless of population, and ultimately be used to develop a unified regional response to homelessness.

- b) Be paired strategically with other local, state, and federal funds provided to address homelessness in order to achieve maximum impact. Grantees of this funding are encouraged to reference [Putting the Funding Pieces Together: Guide to Strategic Uses of New and Recent State and Federal Funds to Prevent and End Homelessness](#) to assist in using funding strategically for their planning efforts in the delivery of services to people experiencing homelessness in the community.
- c) Be deployed with the goal of reducing the number of people experiencing homelessness in a given region through investing in long-term solutions, such as permanent housing.
- d) Include the State as an integral partner through the provision of technical assistance, sharing of best practices, and implementing an accountability framework to guide the structure of current and future state investments.

### 3) Definitions

**The following HHAP-4 program terms are defined in accordance with Health and Safety Code section 50216, subdivisions (a) – (r):**

- a) “Agency” means the Business, Consumer Services, and Housing Agency.
- b) “Applicant” means a Continuum of Care, city, county, or tribe.
- c) “City” means a city or city and county that is legally incorporated to provide local government services to its population. A city can be organized either under the general laws of this state or under a charter adopted by the local voters.
- d) “Continuum of Care” means the same as defined by the United States Department of Housing and Urban Development at Section 578.3 of Title 24 of the Code of Federal Regulations.
- e) “Coordinated Entry System” means a centralized or coordinated process developed pursuant to Section 578.7 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019, designed to coordinate homelessness program participant intake, assessment, and provision of referrals. In order to satisfy this subdivision, a centralized or coordinated assessment system shall cover the geographic area, be easily accessed by individuals and families seeking housing or services, be well advertised, and include a comprehensive and standardized assessment tool.

- f)** “Council” means the California Interagency Council on Homelessness, formerly known as the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.
- g)** “Emergency shelter” has the same meaning as defined in subdivision (e) of Section 50801.
- h)** “Homeless” has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019.
- i)** “Homeless Management Information System” means the information system designated by a Continuum of Care to comply with federal reporting requirements as defined in Section 578.3 of Title 24 of the Code of Federal Regulations. The term “Homeless Management Information System” also includes the use of a comparable database by a victim services provider or legal services provider that is permitted by the federal government under Part 576 of Title 24 of the Code of Federal Regulations.
- j)** “Homeless point-in-time count” means the most recent point-in-time count that requires a sheltered and unsheltered count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations completed by all applicants.
- k)** “Homeless youth” means an unaccompanied youth between 12 and 24 years of age, inclusive, who is experiencing homelessness, as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)). “Homeless youth” includes unaccompanied youth who are pregnant or parenting.
- l)** “Housing First” has the same meaning as in Section 8255 of the Welfare and Institutions Code, including all of the core components listed therein.
- m)** “Jurisdiction” means a city, city that is also a county, county, or Continuum of Care, as defined in this section.
- n)** “Navigation center” means a Housing First, low-barrier, service-enriched shelter focused on moving homeless individuals and families into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.
- o)** “Program” means the Homeless Housing, Assistance, and Prevention program established pursuant to this chapter.
- 1)** “Round 1” of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2019.



2) “Round 2” of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2020.

3) “Round 3” of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2021.

4) “Round 4” of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2022.

p) “Program allocation” means the portion of program funds available to expand or develop local capacity to address immediate homelessness challenges.

q) “Recipient” means a jurisdiction that receives funds from the Cal ICH for the purposes of the program.

r) “Tribe” or “tribal applicant” means a federally recognized tribal government pursuant to Section 4103 of Title 25 of the United States Code.

**Additional definitions for the purposes of the HHAP-4 program:**

“Obligate” means that the Grantee has placed orders, awarded contracts, received services, or entered into similar transactions that require payment using HHAP-4 funding. Grantees, and the subrecipients who receive awards from those Grantees, must obligate the funds by the statutory deadlines set forth in this Exhibit A.

“Expended” means all HHAP-4 funds obligated under contract or subcontract have been fully paid and receipted, and no invoices remain outstanding.

**4) Scope of Work**

The Scope of Work (“Work”) for this Agreement shall include uses that are consistent with Health and Safety Code section 50218.7, subdivision (e), and section 50220.8, subdivisions (e), (f), and (g), and any other applicable laws.

The Grantee shall expend funds on evidence-based programs serving people experiencing homelessness among eligible populations, including any of the following eligible uses:

a) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees.

b) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.

- c) Street outreach to assist persons experiencing homelessness to access permanent housing and services.
- d) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.
- e) Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations including families and homeless youth.
- f) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions.
- g) Prevention and shelter diversion to permanent housing, including rental subsidies.
- h) Interim sheltering, limited to newly developed clinically enhanced congregate shelters, new or existing noncongregate shelters, and operations of existing navigation centers and shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:
  - i) The number of available shelter beds in the city, county, or region served by a Continuum of Care.
  - ii) The number of people experiencing unsheltered homelessness in the homeless point-in-time count.
  - iii) Shelter vacancy rate in the summer and winter months.
  - iv) Percentage of exits from emergency shelters to permanent housing solutions.
  - v) A plan to connect residents to permanent housing.
  - vi) Any new interim sheltering funded by HHAP-4 funds must be low barrier, comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code, and prioritize interventions other than congregate shelters.
- i) Improvements to existing emergency shelters to lower barriers and increase privacy.

In addition to the eligible uses described above, the Grantee's expenditure of its entire HHAP-4 allocation must also comply with the following:

- a) At least 10 percent of the funds shall be spent on services for homeless youth populations.
- b) Not more than 7 percent of funds may be used for administrative costs incurred by the city, county, or continuum of care to administer its program allocation. For purposes of this Agreement, “administrative costs” does not include staff or other costs directly related to implementing activities funded by the program allocation.

**5) Cal ICH Contract Coordinator**

The Cal ICH’s Contract Coordinator for this Agreement is the Council’s Grant Director or the Grant Director’s designee. Unless otherwise instructed, any notice, report, or other communication requiring an original Grantee signature for this Agreement shall be mailed to the Cal ICH Contract Coordinator. If there are opportunities to send information electronically, Grantee will be notified via email by the Council’s Grant Director or the Grant Director’s designee.

The Representatives during the term of this Agreement will be:

	<b>PROGRAM</b>	<b>GRANTEE</b>
<b>ENTITY:</b>	Business Consumer Services and Housing Agency	City of Sacramento
<b>SECTION/UNIT:</b>	California Interagency Council on Homelessness (Cal ICH)	
<b>ADDRESS:</b>	500 Capitol Mall Suite 1850 Sacramento, CA, 95814	915 I Street Sacramento, CA 95814
<b>CONTRACT COORDINATOR</b>	Jeannie McKendry	Denise Malvetti
<b>PHONE NUMBER:</b>	(916) 510-9446	(916) 808-7064
<b>EMAIL ADDRESS:</b>	Jeannie.McKendry@bcsh.ca.gov	dmalvetti@cityofsacramento.org

All requests to update the Grantee information listed within this Agreement shall be emailed to the Cal ICH Grants Division general email box at calichgrants@bcsh.ca.gov. The Council reserves the right to change their representative and/or contact information at any time with notice to the Grantee.

**6) Effective Date, Term of Agreement, and Deadlines**

- a) This Agreement is effective upon approval by Cal ICH (indicated by the signature provided by Cal ICH in the lower left section of page one, Standard Agreement, STD. 213), when signed by all parties. Funds will be disbursed in accordance with Section 3 of Exhibit B.
- b) This Agreement shall terminate on December 31, 2027.
- c) A grantee shall contractually obligate no less than 75 percent and shall expend no less than 50 percent of their initial (50 percent) HHAP-4 disbursement by May 31, 2025. Upon demonstration by a grantee that it has complied with this requirement and remains on track to meet its outcome goals, as determined by the council pursuant to Health and Safety Code section 50223, the council shall disburse to that recipient the remaining 50 percent of its total HHAP-4 allocation pursuant to Health and Safety Code section 50218.7(a).
  - i) Grantee will demonstrate compliance with these requirements by completing the certification documentation in the form and manner provided by the council.
- d) If a grantee has obligated less than 75 percent or expended less than 50 percent of their initial (50 percent) HHAP-4 disbursement by May 31, 2025, the grantee shall not contractually obligate or expend any remaining portion of its round 4 initial program allocation, and the council shall not allocate to the recipient the remaining 50 percent of its total allocation, unless both of the following occur:
  - i) On or before June 30, 2025, the grantee submits an alternative disbursement plan to Cal ICH that includes an explanation for the delay.
  - ii) Cal ICH approves the alternative disbursement plan.

If Cal ICH cannot approve an alternative disbursement plan, Cal ICH will provide the grantee with guidance on the revisions needed in order to approve the alternative disbursement plan.

If the funds identified in the approved alternative disbursement plan are not fully expended by December 31, 2026, the funds shall be returned to the Cal ICH to be allocated as bonus awards.
- e) Grantees that do not meet the final expenditure deadlines in Health and Safety Code section 50220.8(k) shall not be eligible for bonus funding.

- f) All HHAP-4 funds shall be expended by June 30, 2027.
- g) In accordance with Health and Safety Code section 50220.8, subdivision (k), Cal ICH retains the right to require a corrective action plan of grantees that are not on track to fully expend funds by the statutorily required deadline.
- h) Any funds not expended by June 30, 2027, including bonus funds, shall revert to and be paid and deposited in, the General Fund pursuant to Health and Safety Code section 50220.8(p).
- i) The council may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.
- j) **Bonus Funds:** Health and Safety Code section 50220.8 mandates the following, regarding a recipient's eligibility for Bonus Funding:
  - i) Recipients that do not meet the obligation requirements laid out in Health and Safety Code section 50220.8(k) shall not be eligible for bonus funding;
  - ii) Recipients shall demonstrate no later than June 30, 2025, whether they have successfully met their outcome goals; and
  - iii) Jurisdictions that have not met their outcome goals shall not be eligible for bonus funding and shall accept technical assistance from council staff. In addition, jurisdictions that have not met their outcome goals may also be required to limit allowable uses of program funds, as determined by the Council.
  - iv) If recipient receives bonus funding, the bonus funds will be distributed as an amendment to this contract. No additional contract will be executed.

## 7) Special Conditions

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

**Homeless Housing, Assistance, and Prevention Program Round 4 (HHAP-4)  
Standard Agreement**

**EXHIBIT B**

**BUDGET DETAIL and DISBURSEMENT PROVISIONS**

**1) Budget Detail & Changes**

The Grantee agrees that HHAP-4 funds shall be expended on uses that support regional coordination and expand or develop local capacity to address immediate homelessness challenges. Such activities must be informed by a best-practices framework focused on moving people experiencing homelessness into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing.

The Grantee shall expend the HHAP-4 funds on eligible activities as detailed in Health and Safety Code section 50218.7(e) and section 50220.8, subdivisions (e), and (f).

**2) General Conditions Prior to Disbursement**

All Grantees must submit the following forms prior to HHAP-4 funds being released:

- Request for Funds Form (“RFF”)
- STD 213 Standard Agreement form and initialed Exhibits A through F
- STD 204 Payee Data Record or Government Agency Taxpayer ID Form

**3) Disbursement of Funds**

**Initial Disbursement**

Fifty percent of a grantee’s HHAP-4 funds will be disbursed to the Grantee upon receipt, review and approval of the completed Standard Agreement and RFF by Cal ICH, the Department of General Services (DGS) and the State Controller’s Office (SCO).

The RFF must include the proposed eligible uses and the amount of funds proposed for expenditure under each eligible use. The Initial disbursement of HHAP-4 funds will be disbursed in one allocation via mailed check once the RFF has been received by the SCO. Checks will be mailed to the address and contact name listed on the RFF.

### **Remainder Disbursement**

- a) Cal ICH will disburse the remaining fifty percent of HHAP-4 funds upon demonstration by a Grantee that it has complied with the requirement to contractually obligate and expend a minimum amount of its round 4 program allocation, as described below, and remains on track to meet its outcome goals, as determined by the council pursuant to Section 50223.
  - i) A grantee shall contractually obligate no less than 75 percent and shall expend no less than 50 percent of their initial (50 percent) HHAP-4 disbursement by May 31, 2025. Upon demonstration by a grantee that it has complied with this requirement and remains on track to meet its outcome goals, as determined by the council pursuant to Health and Safety Code section 50223, the council shall disburse to that recipient the remaining 50 percent of its total HHAP-4 allocation pursuant to Health and Safety Code section 50218.7(a).
- b) If a grantee has obligated less than 75 percent or expended less than 50 percent of their initial disbursement by May 31, 2025, the grantee shall not contractually obligate or expend any remaining portion of its round 4 initial program allocation, and the council shall not allocate to the recipient the remaining 50 percent of its total allocation, unless both of the following occur:
  - i) On or before June 30, 2025, the grantee submits an alternative disbursement plan to Cal ICH that includes an explanation for the delay.
  - ii) Cal ICH approves the alternative disbursement plan. If Cal ICH cannot approve an alternative disbursement plan, Cal ICH will provide the grantee with guidance on the revisions needed in order to approve the alternative disbursement plan.
- 4) If a Grantee is not on track to meet outcome goals, grantee must agree to receive TA from Cal ICH to get back on track with the outcome goals before the Council allocates the remaining 50 percent of a recipient's allocation.

### **Bonus Funds Disbursement**

If a Grantee qualifies for Bonus Funds pursuant to the requirements laid out in Health and Safety Code section 50220.7, Cal ICH will determine the amount of Bonus Funds the Grantee is eligible for and will disburse these Bonus Funds to the Grantee upon receipt, review and approval of the completed Amended Standard Agreement and RFF by Cal ICH, the Department of General Services (DGS) and the State Controller's Office (SCO).

The RFF must include the proposed eligible uses and the amount of funds proposed for expenditure under each eligible use. The Bonus Funds disbursement of

HHAP-4 funds will be allocated in one disbursement via mailed check once the RFF has been received by the SCO. Checks will be mailed to the address and contact name listed on the RFF.

**5) Expenditure of Funds**

All HHAP-4 funds must be spent in accordance with Health and Safety Code section 50218.7(e) and section 50220.8, subdivisions (e), and (f), and as described in Exhibit A, Section 4 "Scope of Work".

**6) Ineligible Costs**

- a) HHAP-4 funds shall not be used for costs associated with activities in violation of any law or for any activities not consistent with the intent of the Program and the eligible uses identified in Health and Safety Code section 50220.8, subdivisions (e), (f), and (g).
- b) Cal ICH reserves the right to request additional clarifying information to determine the reasonableness and eligibility of all uses of the funds made available by this Agreement. If the Grantee or its funded subrecipients use HHAP-4 funds to pay for ineligible activities, the Grantee shall be required to reimburse these funds to Cal ICH.
- c) An expenditure which is not authorized by this Agreement, or by written approval of the Grant Manager or his/her designee, or which cannot be adequately documented, shall be disallowed and must be reimbursed to Cal ICH by the Grantee.

Cal ICH, at its sole and absolute discretion, shall make the final determination regarding the allowability of HHAP-4 fund expenditures.

- d) Program funds shall not be used to supplant existing local funds for homeless housing, assistance, or prevention. HHAP funds cannot replace local funds that are committed to an existing or developing homeless assistance program. However, if funds previously supporting a service or project end or are reduced for reasons beyond the control of the grantee and services or housing capacity will be lost as a result of these funds ending, HHAP funds may be used to maintain the service or program. Examples include, but are not limited to, a time-limited city and/or county tax or one-time block grant, such as HEAP.



**Homeless Housing, Assistance, and Prevention Program Round 4 (HHAP-4)  
Standard Agreement**

**EXHIBIT C**

**GENERAL TERMS AND CONDITIONS**

**1) Termination and Sufficiency of Funds**

**a) Termination of Agreement**

Cal ICH may terminate this Agreement at any time for cause by giving a minimum of 14 days' notice of termination, in writing, to the Grantee. Cause shall consist of violations of any conditions of this Agreement, any breach of contract as described in paragraph 6 of this Exhibit C; violation of any federal or state laws; or withdrawal of Cal ICH's expenditure authority. Upon termination of this Agreement, unless otherwise approved in writing by Cal ICH, any unexpended funds received by the Grantee shall be returned to Cal ICH within 30 days of Cal ICH's notice of termination.

**b) Sufficiency of Funds**

This Agreement is valid and enforceable only if sufficient funds are made available to Cal ICH by 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 of California, or of any agency, department, or any political subdivision of the federal or State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.

**2) Transfers**

Grantee may not 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 as allowed within Exhibit C Section 12 (Special Conditions – Grantees/Sub Grantee) or with the prior written approval of Cal ICH and a formal amendment to this Agreement to affect such subcontract or novation.

**3) Grantee's Application for Funds**

Grantee has submitted to Cal ICH an application for HHAP-4 funds to support regional coordination and expand or develop local capacity to address its immediate homelessness challenges. Cal ICH is entering into this Agreement on the basis of Grantee's facts, information, assertions and representations contained in that application. Any subsequent modifications to the original funding plans submitted within the original application must be requested through the formal HHAP Budget Modification Request Process and are subject to approval by Cal ICH.

Grantee 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 Grantee'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 Cal ICH approval, disbursement, or monitoring of the funding and the grants or activities governed by this Agreement, then Cal ICH may declare a breach of this Agreement and take such action or pursue such remedies as are legally available.

#### **4) Reporting/Audits**

##### **a) Annual Reports**

By January 1, 2024, and annually on that date thereafter until all funds have been expended, the Grantee shall submit an annual report to Cal ICH in a format provided by Cal ICH. Annual Reports will include a request for data on expenditures and people served with HHAP-4 funding, details on specific projects selected for the use of HHAP-4 funding, and data regarding the progress towards outcome goals. If the Grantee fails to provide such documentation, Cal ICH may recapture any portion of the amount authorized by this Agreement with a 14-day written notification. No later than October 1, 2027, the Grantee shall submit a final report, in a format provided by Cal ICH, as well as a detailed explanation of all uses of the Program funds.

##### **b) Quarterly Expenditure Reports**

In addition to the annual reports, Cal ICH requires the Grantee to submit quarterly expenditure reports due no later than 30 days following the end of each fiscal quarter. Grantee shall submit a report to Cal ICH on a form and method provided by Cal ICH that includes the ongoing tracking of the specific uses and expenditures of any program funds broken out by eligible uses listed, including the current status of those funds, as well as any additional information Cal ICH deems appropriate or necessary. If the Grantee fails to provide such documentation, Cal ICH may recapture any portion of the amount authorized by this Agreement with a 14-day written notification.

##### **c) Reporting Requirements**

i) Annual Report: The annual report shall contain detailed information in accordance with Health and Safety Code section 50223, subdivision (a). This information includes the following, as well as any additional information deemed appropriate or necessary by Cal ICH:

- (1) Data collection shall include, but not be limited to, information regarding individuals and families served, including demographic information, information regarding partnerships among entities or lack thereof, and participant and regional outcomes.

- (2)** The performance monitoring and accountability framework shall include clear metrics, which may include, but are not limited to, the following:
- (a)** The number of individual exits to permanent housing, as defined by the United States Department of Housing and Urban Development, from unsheltered environments and interim housing resulting from this funding.
  - (b)** Racial equity, as defined by the council in consultation with representatives of state and local agencies, service providers, the Legislature, and other stakeholders.
  - (c)** Any other metrics deemed appropriate by the council and developed in coordination with representatives of state and local agencies, advocates, service providers, and the Legislature.
- (3)** Data collection and reporting requirements shall support the efficient and effective administration of the program and enable the monitoring of jurisdiction performance and program outcomes.
- Data shall include progress towards meeting the grantee's outcome goals. If significant progress toward outcome goals has not been made, the applicant shall:
- (a)** Submit a description of barriers and possible solutions to meet those barriers
  - (b)** Accept technical assistance from Cal ICH
  - (c)** Include the progress towards outcome goals in all subsequent quarterly reports, until significant progress is made as deemed by Cal ICH
- ii)** Expenditure Report: The expenditure report shall contain data on expenditures of HHAP-4 funding including but not limited to obligated funds, expended funds, and other funds derived from HHAP-4 funding.
- iii)** Final Expenditure Plan: During the final fiscal year of reporting, grantees may be required to include a plan to fully expend HHAP-4 grant funding. This plan must be submitted with the quarterly expenditure report in a format to be provided by Cal ICH.

- iv) Grantees or their subcontractors must report client data into their local Homeless Management Information Systems (HMIS) pursuant to the requirements of Assembly Bill (AB) 977 (Chapter 397, Statutes of 2021)
- v) Cal ICH may require additional supplemental reporting with written notice to the Grantee.
- vi) Grantee may, at their discretion, fully expend their HHAP-4 allocation prior to the end date of the grant term and will not be required to submit quarterly fiscal reports after the quarter in which their allocation was fully expended.

**d) Auditing**

Cal ICH reserves the right to perform or cause to be performed a financial audit. At Cal ICH request, the Grantee shall provide, at its own expense, a financial audit prepared by a certified public accountant. HHAP-4 administrative funds may be used to fund this expense. Should an audit be required, the Grantee shall adhere to the following conditions:

- i) The audit shall be performed by an independent certified public accountant.
- ii) The Grantee shall notify Cal ICH of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by Cal ICH to the independent auditor's working papers.
- iii) The Grantee is responsible for the completion of audits and all costs of preparing audits.
- iv) If there are audit findings, the Grantee must submit a detailed response acceptable to Cal ICH for each audit finding within 90 days from the date of the audit finding report.

**5) Inspection and Retention of Records**

**a) Record Inspection**

Cal ICH or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance under this Agreement. The Grantee agrees to provide Cal ICH, or its designee, with any relevant information requested. The Grantee agrees to give Cal ICH or its designee access to its premises, upon reasonable notice and during normal business hours, for the purpose of interviewing employees who might reasonably have information related to such records, and of inspecting and copying such books, records, accounts, and other materials that may be relevant to an investigation of compliance with the Homeless Housing, Assistance, and

Prevention Program laws, the HHAP-4 program guidance document published on the website, and this Agreement.

In accordance with Health and Safety Code section 50220.8, subdivision (m), if upon inspection of records Cal ICH identifies noncompliance with grant requirements, Cal ICH retains the right to impose a corrective action plan on the Grantee.

**b) Record Retention**

The Grantee further agrees to retain all records described in subparagraph a for a minimum period of five (5) years after the termination of this Agreement.

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) Public Records Act**

The grantees' final HHAP-4 application, this contract, and other documents related to the grant are considered public records, which are available for public viewing pursuant to the California Public Records Act.

**6) Breach and Remedies**

**a) Breach of Agreement**

Breach of this Agreement includes, but is not limited to, the following events:

- i) Grantee's failure to comply with the terms or conditions of this Agreement.
- ii) Use of, or permitting the use of, HHAP-4 funds provided under this Agreement for any ineligible activities.
- iii) Any failure to comply with the deadlines set forth in this Agreement.

**b) Remedies for Breach of Agreement**

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

- i) Bar the Grantee from applying for future HHAP funds;
- ii) Revoke any other existing HHAP-4 award(s) to the Grantee;
- iii) Require the return of any unexpended HHAP-4 funds disbursed under this Agreement;

- iv) Require repayment of HHAP-4 funds disbursed and expended under this Agreement;
  - v) Require the immediate return to Cal ICH of all funds derived from the use of HHAP-4 funds
  - vi) Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or participation in the technical assistance in accordance with HHAP-4 requirements.
- c) All remedies available to Cal ICH are cumulative and not exclusive.
- d) Cal ICH may give written notice to the Grantee to cure the breach or violation within a period of not less than 15 days.

## 7) **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 Cal ICH to enforce at any time the provisions of this Agreement, or to require at any time, performance by the Grantee 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 Cal ICH to enforce these provisions.

## 8) **Nondiscrimination**

During the performance of this Agreement, Grantee 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. Grantees and Sub grantees shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its subrecipients shall comply with the provisions of California's laws against discriminatory practices relating to specific groups: the California Fair Employment and Housing Act (FEHA) (Gov. Code, § 12900 et seq.); the regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.); and the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code, §§ 11135 - 11139.5). Grantee 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.

**9) Conflict of Interest**

All Grantees are subject to state and federal conflict of interest laws. For instance, Health and Safety Code section 50220.5, subdivision (i) states, “For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.”

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. Additional applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411.

- a) **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 Grantee with any State agency to provide goods or services.
- b) **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 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 his or her leaving State service.
- c) **Employees of the Grantee:** Employees of the Grantee 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 Political Reform Act of 1974 (Gov. Code, § 81000 et seq.).
- d) **Representatives of a County:** A representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board,

committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.

**10) Drug-Free Workplace Certification**

Certification of Compliance: By signing this Agreement, Grantee hereby certifies, under penalty of perjury under the laws of State of California, that it and its subrecipients will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, section 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

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, Grantees, or subrecipients for violations, as required by Government Code section 8355, subdivision (a)(1).

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

**11) Child Support Compliance Act**

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



- a) The Grantee 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
- b) The Grantee, 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.

## **12) Special Conditions – Grantees/Subgrantee**

The Grantee agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit D. These conditions shall be met to the satisfaction of Cal ICH prior to disbursement of funds. The Grantee shall ensure that all Subgrantees are made aware of and agree to comply with all the conditions of this Agreement and the applicable State requirements governing the use of HHAP-4 funds. Failure to comply with these conditions may result in termination of this Agreement.

- a) The Agreement between the Grantee and any Subgrantee shall require the Grantee and its Subgrantees, if any, to:
  - i) Perform the work in accordance with Federal, State and Local housing and building codes, as applicable.
  - ii) Maintain at least the minimum State-required worker's compensation for those employees who will perform the work or any part of it.
  - iii) Maintain, as required by law, unemployment insurance, disability insurance, and liability insurance in an amount that is reasonable to compensate any person, firm or corporation who may be injured or damaged by the Grantee or any Subgrantee in performing the Work or any part of it.
  - iv) Agree to include all the terms of this Agreement in each subcontract.

## **13) Compliance with State and Federal Laws, Rules, Guidelines and Regulations**

The Grantee agrees to comply with all 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 HHAP-4 program, the Grantee, its subrecipients, and all eligible activities.

Grantee 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. Grantee 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. Grantee shall provide copies of permits and approvals to Cal ICH upon request.

#### **14) Inspections**

- a) Grantee 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.
- b) Cal ICH 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.
- c) Grantee agrees to require that all work that is determined based on such inspections not to conform to the applicable requirements be corrected and to withhold payments to the subrecipient until it is corrected.

#### **15) Litigation**

- a) If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of Cal ICH, shall not affect any other provisions of this Agreement and the Initial of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are and shall be deemed severable.
- b) The Grantee shall notify Cal ICH immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or Cal ICH, 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 Cal ICH.

**Homeless Housing, Assistance, and Prevention Program Round 4 (HHAP-4)  
Standard Agreement**

**EXHIBIT D**

**SPECIAL TERMS AND CONDITIONS**

- 1) All proceeds from any interest-bearing account established by the Grantee for the deposit of HHAP-4 funds, along with any interest-bearing accounts opened by subrecipients to the Grantee for the deposit of HHAP-4 funds, must be used for HHAP-4-eligible activities and reported on as required by Cal ICH.
- 2) Per Health and Safety Code section 50220.8 (g), any housing-related activities funded with HHAP-4 funds, including but not limited to emergency shelter (per Health and Safety Code section 50220.8(e)(8)(F)), rapid-rehousing, rental assistance, transitional housing and permanent supportive housing, must be in compliance or otherwise aligned with the core components of Housing First, as described in Welfare and Institutions Code section 8255, subdivision (b). Individuals and families assisted with these funds must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used. In addition, HHAP-4 funding shall be used to adopt a Housing First approach within the entire local homelessness response system, including outreach and emergency shelter, short-term interventions like rapid re-housing, and longer-term interventions like supportive housing.
- 3) Grantee shall utilize its local Homeless Management Information System (HMIS) to track HHAP-4-funded projects, services, and clients served. Grantee will ensure that HMIS data are collected in accordance with applicable laws and in such a way as to identify individual projects, services, and clients that are supported by HHAP-4 funding (e.g., by creating appropriate HHAP-4-specific funding sources and project codes in HMIS).
- 4) Grantee shall participate in and provide data elements, including, but not limited to, health information, in a manner consistent with federal law, to the statewide Homeless Management Information System (known as the Homeless Data Integration System or "HDIS"), in accordance with their existing Data Use Agreement entered into with the Council, if any, and as required by Health and Safety Code section 50220.6 and Welfare and Institutions Code section 8256. Any health information provided to, or maintained within, the statewide Homeless Management Information System shall not be subject to public inspection or disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code). For purposes of this paragraph, "health information" means "protected health information," as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and "medical

information,” as defined in subdivision (j) of Section 56.05 of the Civil Code. The Council may, as required by operational necessity, amend or modify required data elements, disclosure formats, or disclosure frequency. Additionally, the Council, at its discretion, may provide Grantee with aggregate reports and analytics of the data Grantee submits to HDIS in support of the Purpose of this Agreement and the existing Data Use Agreement.

- 5) Grantee agrees to accept technical assistance as directed by Cal ICH or by a contracted technical assistance provider acting on behalf of Cal ICH and report to Cal ICH on programmatic changes the grantee will make as a result of the technical assistance and in support of their grant goals.
- 6) Grantee agrees to demonstrate a commitment to racial equity and, per Health and Safety Code section 50222 (a)(2)(B), the grantee shall use data provided through HDIS to analyze racial disproportionality in homeless populations and, in partnership with Cal ICH, establish clear metrics and performance monitoring for achieving equity in provision of services and outcomes for Black, Native, and Indigenous, Latinx, Asian, Pacific Islanders and other People of Color who are disproportionately impacted by homelessness and COVID-19.
- 7) Grantee should establish a mechanism for people with lived experience of homelessness to have meaningful and purposeful opportunities to inform and shape all levels of planning and implementation, including through opportunities to hire people with lived experience.

**Homeless Housing, Assistance, and Prevention Program Round 4 (HHAP-4)**

**Standard Agreement**

**EXHIBIT E**

**STATE OF CALIFORNIA GENERAL TERMS AND CONDITIONS**

This exhibit is incorporated by reference and made part of this agreement. The General Terms and Conditions (GTC 04/2017) can be viewed at the following link:

<https://www.dgs.ca.gov/-/media/Divisions/OLS/Resources/GTC-April-2017-FINALapril2017.pdf?la=en&hash=3A64979F777D5B9D35309433EE81969FD69052D2>

In the interpretation of this Agreement, any inconsistencies between the State of California General Terms and Conditions (GTC - 04/2017) and the terms of this Agreement and its exhibits/attachments shall be resolved in favor of this Agreement and its exhibits/attachments.