

File ID: 2024-00787

5/7/2024

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**(Contract for Review) Commitment of Prohousing Incentive Pilot Grant Funding to the San Juan Apartments Project and Approval of Grant Agreement between the City of Sacramento and Sacramento Housing and Redevelopment Agency [Published for 10-Day Review 04/24/2024]**

File ID: 2024-00787

**Location:** District 6, Represented by Councilmember Guerra

**Recommendation:** Adopt a **Resolution** authorizing the City Manager or City Manager's designee and SHRA to: a) execute a grant agreement and related documentation allocating the City's \$2,500,000 in Prohousing Incentive Pilot (PIP) funding to SHRA for the San Juan Apartments (Project); b) authorizing the transfer of \$2,500,000 in PIP funding to SHRA for closing of the Project upon receipt of funding from the California Department of Housing and Community Development.

**Contact:** Ya-yin Isle, City Housing Manager, (916) 808-1869, [yisle@cityofsacramento.org](mailto:yisle@cityofsacramento.org);  
Axel Magallanes, Housing Analyst, (916) 808-1844, [amagallanes@cityofsacramento.org](mailto:amagallanes@cityofsacramento.org),  
Office of Innovation and Economic Development

**Presenter:** None.

**Attachments:**

- 1-Description/Analysis
- 2-Resolution
- 3-PIP Grant Agreement

**Description/Analysis**

**Issue Detail:** In March 2023, staff applied for \$2.5 million in Prohousing Incentive Pilot (PIP) grant funds through the State's first grant program designed to incentivize local governments to pursue Prohousing Designations, rewarding those with the Prohousing Designation with additional funding to accelerate affordable housing production and preservation (Resolution No. 2023-0065). The City was subsequently awarded \$2.5 million to provide gap financing for an identified Affordable Housing project.

City staff worked in partnership with SHRA to identify an eligible project through SHRA's Affordable Multifamily Housing Loan Program and allocated these funds to the San Juan Apartments Project.

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The project will consist of a total of 113 (1BR, 2BR, and 3BR) units. Amenities onsite will include landscaped courtyards, picnic tables, a laundry facility, and dedicated parking spaces. The development will also include a community room with a kitchen, management and resident services offices, a playground for school-aged youth, and a swimming pool.

**Policy Considerations:** According to Sacramento City Code Section 3.04.020, all agreements specified in section 3.04.010 involving income or expenditure of \$250,000 or more, require approval of the city council, for signature by the city manager or designee. Additionally, the 2021-2029 Housing Element contains policies and programs related to the Prohousing Designation and assisting affordable housing projects, including:

**Housing Element Policy 2.3 Assist in the Development of Affordable Housing.** The City and SHRA shall assist affordable housing developments through site identification, direct funding, supporting funding applications, land donation, expedited permit review, and other incentives.

**Housing Element Program 11 Prohousing Designation.** The City shall strive to receive and maintain through the sunset date of January 1, 2025, the State's Prohousing Designation by demonstrating a sufficient number of policies that significantly contribute to accelerating housing production. Jurisdictions that receive a Prohousing Designation will receive incentives in the form of additional points or preferences in the scoring of competitive State funding grant program in the areas of housing, transportation, infrastructure, and land use.

This item was published for 10-day review on April 24, 2024, in compliance with the City Code.

**Economic Impacts:** The City investment in an affordable housing project is estimated to infuse the economy with new jobs, with the provision of this funding and resulting housing construction. There will also be positive economic impact in stabilizing housing costs and preventing homelessness, reducing the rent burden and other community costs for persons experiencing homelessness and at-risk individuals, and providing a platform for additional income and spending capacity amongst these community residents.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The current action is the establishment of a funding mechanism to finance various activities, including any environmental review necessary for the development of the housing project. The establishment of a funding mechanism is not a project pursuant to CEQA Guidelines section 15378(b)(4).

**Sustainability:** Not applicable.

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

**Rationale for Recommendation:** The actions recommended in this report will assist the City in meeting its obligation to expend PIP funds in accordance with the State's guidelines and aid in the production of affordable housing.

**Financial Considerations:** This report commits the City's \$2,500,000 award of Prohousing Incentive Pilot grant funding from the California State Department of Housing and Community Development to SHRA to provide to the developer of the San Juan Apartments, subject to receipt of PIP funding.

**Local Business Enterprise (LBE):** None.

## **RESOLUTION 2024-**

Adopted by the Sacramento City Council

### **COMMITMENT OF PROHOUSING INCENTIVE PILOT GRANT FUNDING TO THE SAN JUAN APARTMENTS PROJECT AND APPROVAL OF GRANT AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY**

#### **BACKGROUND**

- A.** In November of 2016, the City of Sacramento Housing Authority Board (Housing Authority) via resolution HA2016-022 approved a Vacant Lot Disposition Strategy for vacant Housing Authority-owned parcels and was given the authorization to release the Housing Authority-owned San Juan parcels (Site) as an Opportunity Site to be used for future affordable housing development. The Site was identified by the Housing Authority to be exempt surplus land and its use as an affordable housing site with restrictions was consistent with California Government Code 25539.4.
- B.** In August of 2020, the Sacramento Housing and Redevelopment Agency (SHRA) released a Request for Proposals for an Affordable Housing Development for the Site.
- C.** In December of 2020, SHRA selected Mutual Housing California (Developer) to become the developer of the Site and submitted a response to the RFP with a proposed affordable housing development project to be located on the following parcels (Project):
1. 5258 Young Street (APN 026-0073-0003), located in the County owned by the Housing Authority of the County of Sacramento
  2. 5266 Young Street (APN 026-0073-0004), located in the City and owned by the Housing Authority of the City of Sacramento
  3. 5280 Young Street (APN 026-0073-0005), located in the City and owned by the Housing Authority of the City of Sacramento
  4. 5300 Young Street (APN 0026-0073-0006), located in the City owned by the Housing Authority of the City of Sacramento
  5. 5320 Young Street (APN 0026-0073-0007), located in the City owned by the Housing Authority of the City of Sacramento
  6. 5340 Young Street (APN 0026-0073-0008) located in the City owned by the Housing Authority of the City of Sacramento
  7. 5700 Stockton Blvd. (APN 026-0073-014), located in the County owned by the Housing Authority of the City of Sacramento
  8. 5716 Stockton Blvd. (APN 026-0073-017), located in the County owned by the Housing Authority of the County.



- D.** The Site has been split into two phases for feasibility purposes. Phase 1 includes properties 1-7. Phase 2 includes 5716 Stockton Blvd. (Properties listed in section E above.) The Developer has worked on behalf of the Housing Authority to obtain entitlements to develop the Site as affordable multifamily housing.
- E.** A loan commitment in the amount of \$22,668,000 of City and County funding, inclusive of \$500,000 in predevelopment funding from SHRA, was approved on February 7, 2023 to develop the site.
- F.** In March of 2023, the City of Sacramento applied for and was awarded \$2.5 million in “Prohousing Incentive Pilot Program (PIP)” funding from the State of California. After being awarded PIP funds, the City collaborated with SHRA to identify the San Juan Apartments as the eligible project for this funding.
- G.** On January 16, 2024, HCD awarded the City with a \$2,500,000 PIP grant (“Grant”) and the City entered into the PIP Agreement. PIP funds may be used “for the development of an affordable rental housing project, and the local government makes the PIP assistance in the form of a loan to the sponsor of the project, the loan shall be evidenced through a Promissory Note secured by a Deed of Trust.” (PIP Agreement No. 22-PIP-17863, Exhibit D)

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or the City Manager’s designee is authorized to execute a grant agreement and related documents with the Sacramento Housing and Redevelopment Agency.
- Section 2. The City Manager or City Manager’s designee is authorized to transfer \$2,500,000 in PIP funds to SHRA for the closing of the Project, upon receipt of funding.

**Prohousing Incentive Pilot Program (PIP) Grant  
PIP Grant re: San Juan Apartments Project  
Grant Agreement and Memorandum of Understanding**

This PROHOUSING INCENTIVE PILOT PROGRAM (“PIP”) GRANT AGREEMENT AND MEMORANDUM OF UNDERSTANDING (“Agreement”) dated May 1, 2024 (the “Effective Date”), for purposes of identification, is between the CITY OF SACRAMENTO, a California municipal corporation (the “City”), and the SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY, a joint powers agency (the “Grantee”) (City and Grantee may be also referred to herein individually as the “party” or collectively as the “parties”).

**RECITALS**

- A. In November of 2016, the Housing Authority of the City of Sacramento (the “Housing Authority”) approved a Vacant Lot Disposition Strategy for vacant parcels that are owned by the Housing Authority and authorized certain vacant sites, including the San Juan parcels APN 026-0073-018, APN 026-0073-014.
- B. As Affordable Housing Opportunity Sites, (the “Site”). The Housing Authority has determined that the properties included in the Disposition Strategy are not required for its foreseeable needs (Health and Safety Code Section 34315.7). Housing Authority Resolution No. 2016-0022)
- C. In August of 2020, the Sacramento Housing and Redevelopment Agency (SHRA) released a Request for Proposals for an Affordable Housing Development for the Site. In December, SHRA selected Mutual Housing California (“Mutual Housing” or “Developer”) as the developer of the Site. Since then, Mutual Housing has worked on behalf of SHRA to obtain entitlements to develop the Site into affordable multifamily housing. The San Juan Apartments by Mutual Housing (the “Project”) will consist of a total of 113 units comprised of one, two, and three-bedroom units.
- D. The State of California established the Prohousing Incentive Pilot Program (“PIP”) pursuant to Health and Safety Code section 50470 *et seq.*, PIP is administered by the California Department of Housing and Community Development (“HCD”).
- E. On March 7, 2023, the City Council authorized the City Manager to apply for and if awarded, execute the PIP Standard Agreement with HCD (the “PIP Agreement”), to accept and administer PIP grant funding; and commit the full grant to Affordable Housing. (City Resolution No. 2023-0065)
- F. On January 16, 2024, HCD awarded the City with a \$2,500,000 PIP grant (“Grant”) and the City entered into the PIP Agreement. PIP funds may be used “for the development of an affordable rental housing project, and the local government makes the PIP assistance in the form of a loan to the sponsor of the project the loan shall be evidenced through a Promissory Note secured by a Deed of Trust.” (PIP Agreement No. 22-PIP-17863, Exhibit D)
- G. On May 7th, 2024, the City Council committed \$2,500,000 in PIP funds for the construction and permanent financing of the Project; authorized the City Manager and the Grantee to execute and perform the necessary agreements and actions to fulfill the intent of the PIP funding for the Project; directed the

Grantee to allocate the PIP funds for the construction and development of the Project to Mutual Housing, or related entity, the Project's developer, ("subrecipient" or "subgrantee"), in the form of a loan evidenced through a Promissory Note secured by a Deed of Trust. (City Resolution No. 2024-XXXX)

- H. The parties acknowledge that this Agreement is within the purposes of PIP by continuing and furthering the production of affordable housing.

With these Recitals in mind, the City and Grantee agree as follows:

### AGREEMENT

1. **Term.** This Agreement takes effect as of the Effective Date and will expire on June 30, 2026, unless sooner terminated as provided herein.
2. **Disbursement of Funds.** The City will reimburse Grant funds in increment amounts, not to exceed \$2,500,000.00. SHRA will submit invoices for eligible costs as outlined in the attached scope of development and project budget at which point City will seek reimbursement from the State and pay invoices upon receipt of funding. In no instance will the City be liable for any payments or costs in excess of the Grant amount, for any unauthorized or ineligible costs, or for costs incurred for the Project after June 30, 2026. The funds disbursed by the City under this Agreement are referred to as "PIP funds" or "PIP grant funding."
3. **Progress Reports.** On a quarterly basis, the Grantee shall provide the City with a written report on the progress made on the Project, and an accounting of costs incurred in sufficient detail for the City, in its opinion, to substantiate the costs and verify the Grantee's use of the Grant. The City may request any additional documentation it determines is needed to substantiate the eligible uses of the Grant. Upon full expenditure of the grant funds, the Grantee shall provide the City all information necessary for State reporting on PIP funds.
4. **Authorized Uses.** The Grantee acknowledges and agrees that the Grant may only be expended on the construction and permanent financing of the Project, which does not include any administrative costs or fees the Grantee incurs as it relates to the Project. In accordance with City Resolution No. 2023-0018, the Grantee represents and warrants that it will allocate the Grant in the form of a loan to a subrecipient for the Project. The Grantee agrees, or ensures its subrecipient agrees, to use the Grant for the purposes set forth in, and in compliance with the conditions set forth in, the PIP Agreement between the City and HCD, including the special conditions set forth in Exhibit D, attached hereto as **Attachment 1** and incorporated herein by reference. The Grantee shall also comply with the applicable PIP requirements governing the use of PIP funds and in accordance with the Grantee's submitted scope of work and budget approved by City ("Scope of Work"), attached hereto as **Attachment 2** and incorporated herein by this reference. Failure to comply with these conditions may result in termination of this Agreement.
5. **Use Obligations.** In addition, the following provisions apply to the Grantee's, or its subrecipient's, activities and expenditures related to this Agreement. The Grantee shall:

- a) Perform the work in accordance with federal, state and local housing and building codes, as applicable;
- b) Maintain at least the minimum California-required worker's compensation for those employees who will perform the work or any part of it;
- c) 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;
- d) Comply with all terms of the PIP Agreement (**Attachment 1**) apply to this Agreement;
- e) Not use the Grant to pay for direct or indirect costs already covered by the other funding, if the Grantee has received other funds from the City or any other entity;
- f) Not use the Grant for its administrative costs or fees or to supplant other funds provided by the City to the Grantee under any other MOU or Agreement;
- g) Include a provision in every subaward that prohibits the subrecipient from using the Grant to supplant funding provided by the City to the subrecipient.

**6. Books and Records.** During the term of this Agreement and as set forth in the PIP Agreement the Grantee shall, or cause its subgrantee to, keep appropriate books, records, and accounts in connection with the Grant and activities performed under this Agreement per Attachment 1, Exhibit D, Section 9 and shall also:

- a) Make its books, records, and accounts, employees, property, and equipment related to this Agreement available to the City's Accounting Manager (the "Accounting Manager"), the City Auditor, any independent auditor, and the United States Department of the Treasury Office of Inspector General ("OIG") at all reasonable times so that the Accounting Manager, City Auditor, independent auditor, or OIG may determine whether the Grantee has complied with this Agreement. If the City requests, the Grantee shall, or cause its subgrantee to, obtain and provide to the City, at the Grantee's sole cost, an independent financial audit of the Grantee, or subgrantee's, use of the Grant.

**7. Grantee's Repayment Obligations.** Following notice by the City and 90 days opportunity to cure, given in accordance with Section 8 below, the Grantee shall reimburse the City for any amount of the Grant that the Accounting Manager, City Auditor, an independent auditor, or the OIG determines: (1) were not expended in accordance with the PIP Agreement or this Agreement, or (2) are otherwise unallowable, and result in the City's obligation to repay such improperly expended PIP funds to HCD. The Grantee shall reimburse the City by check payable to the City and delivered to the City at the address shown in Section 8 below within 60 days after delivery to Grantee of a final determination letter and audit findings requiring reimbursement or repayment hereunder.

**8. Termination.**

- a) The City may terminate this Agreement by giving written notice of such termination to the Grantee, if any of following occurs:

- i. The Grantee, or subrecipient, has failed to perform, or has performed unsatisfactorily, any provision of this Agreement, and has not cured such failure within thirty (30) calendar days of notice from the City (provided, however, that if 30 days is not sufficient to cure such failure or performance Grantee shall have such longer period of time as is mutually agreed to in writing by the parties to cure) including, but not limited to, failing to use the Grant in accordance with the terms set forth in the PIP Agreement and Scope of Work;
  - ii. The Grantee has made any material misrepresentation of any nature with respect to any information or statements furnished to City in connection with this Agreement; or
  - iii. There is pending litigation with respect to the performance by Grantee, or subgrantee, of any of Grantee's duties or obligations under this Agreement that may materially jeopardize or adversely affect the undertaking of or the carrying out of this Agreement.
- b) The Grantee may terminate this Agreement by giving written notice of such termination to the City, if any of following occurs:
- i. Grantee or subrecipient does not receive any remaining governmental approvals required and/or desired for the development of the Property, despite the Grantee's or subrecipient's reasonable efforts to obtain such approvals;
  - ii. The determination by the Grantee or subrecipient in its commercially reasonable discretion that any remediation work with respect to Hazardous Materials, 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
  - iii. The Grantee or subrecipient does not receive commitments of all financing or reasonable substitutions therefor that are necessary to acquire, construct, and operate the Project, despite the Grantee's or subrecipient's reasonable efforts to obtain such funding.
- c) Following termination:
- i. Neither party shall have any rights or obligations under this Agreement, except that the provisions of the Agreement that expressly survive such expiration or termination shall remain in full force and effect; and
  - ii. Grantee shall return to the City any portion of the Grant that has not been expended by Grantee or subrecipient on the performance of the Scope of Work for the Project or in accordance with the PIP Agreement, within thirty (30) calendar days of the notice of termination.
- d) In no event shall the Grantee's election to terminate this Agreement pursuant to this Section constitute a breach or default under 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 8 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 Grantee:*

Sacramento Housing & Redevelopment Agency (SHRA)  
801 12<sup>th</sup> Street, 4th Floor  
Sacramento, CA 95814  
Attention: Christine Weichert, Director

**10. Indemnity.** The Grantee 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 the Grantee. The Grantee shall also defend, hold harmless and indemnify the City, its officers and employees, and each and every one of them, from and against any Liabilities related to the enforcement of Sections 4 and 5 of this Agreement resulting from actions brought by any party.

**11. Insurance.** During the entire term of this Agreement, Grantee shall maintain, or cause its subrecipient to maintain, the insurance described in this Section 11 and in addition to insurance requirements set forth in PIP Agreement:

a) Minimum Scope and Limits of Insurance Coverage

- i. Commercial General Liability Insurance is required 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 with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- ii. The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

b) Other Insurance Provisions

- i. Grantee's (or subrecipient's, as the case may be) insurance coverage shall be primary insurance as respects City, its officials, employees, and volunteers. Any insurance or self-insured insurance maintained by City, its officials, employees or volunteers shall be in excess of Grantee's (or subgrantee's, as the case may be) insurance and shall not contribute to it.
- ii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees or volunteers.
- iii. Coverage shall state that Grantee's (or subgrantee's, as the case may be) insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- iv. City will be provided with 30-days written notice of cancellation or material change in policy language or terms.

c) Acceptability of Insurance

- i. 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 10 must be declared to and approved by the City in writing before execution of this Contract.

d) Verification of Coverage

- i. Grantee shall furnish, or cause its subgrantee to furnish, City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative named in Section 8. Copies of the policies shall be

delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.

- ii. The City may withdraw its off of contract or cancel this Agreement if the certificates of insurance and endorsements or proof of insurance required in this Section 11 have not been provided prior to execution of this Agreement. The City may cancel the Agreement if the insurance is cancelled or Grantee (or subrecipient's, as the case may be) otherwise ceases to be insured as required herein.

e) Subrecipient Insurance Coverage

- i. Grantee shall require and verify that all subrecipient maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Section 11.

**12. Conflicts of Interest.** The Grantee, 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 the Grantee's performance under this Agreement.

**13. Miscellaneous.**

- a) *Assignment.* The Grantee 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 MOU.
- c) *Interpretation.* This Agreement is to be interpreted and applied in accordance with California law.
- 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.
- g) *Time of Essence.* Time is of the essence in performing this Agreement.
- h) *Compliance with all Laws, Requirements, and Orders.* The Grantee shall comply with all applicable laws, regulations, orders of public officials, and requirements in connection with this Agreement and the PIP Agreement.
- i) *Authority to Sign.* The person signing this Agreement on Grantee'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 Grantee 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 PIP funds related to this Agreement, and any determination related to this issue is the sole responsibility of the Grantee. Grantee 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. Grantee acknowledges the City cannot provide advice regarding the tax consequences or implications of the Grant disbursed to Grantee 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 MOUs, 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,**

**GRANTEE: SACRAMENTO HOUSING & REDEVELOPMENT AGENCY,**

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

\_\_\_\_\_  
La Shelle Dozier, Executive Director

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

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

APPROVED AS TO FORM:

APPROVED AS TO FORM:



\_\_\_\_\_  
Senior Deputy City Attorney

\_\_\_\_\_  
Grantee's Counsel

ATTEST:

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

**Attachment 1 – PIP Standard Agreement**

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER  
22-PIP-17863

PURCHASING AUTHORITY NUMBER (if applicable)

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

CONTRACTING AGENCY NAME

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

CONTRACTOR'S NAME

City of Sacramento

2. The term of this Agreement is:

START DATE

Upon HCD Approval

THROUGH END DATE

06/30/2026

3. The maximum amount of this Agreement is:

\$2,500,000.00

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	3
Exhibit B	Budget Detail and Payment Provisions	5
Exhibit C*	State of California General Terms and Conditions	GTC - 04/2017
Exhibit D	PIP Program Terms and Conditions	13
Exhibit E	Program-Specific Provisions and Special Conditions	5
TOTAL NUMBER OF PAGES ATTACHED		26

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.)

See Attached

CONTRACTOR BUSINESS ADDRESS

915 I Street 3rd Floor

CITY

Sacramento

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING

MICHAEL JASU

TITLE

ASSISTANT CITY MANAGER

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

1/16/24

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Department of Housing and Community Development

CONTRACTING AGENCY ADDRESS

2020 W. El Camino Ave., Suite 130

CITY

Sacramento

STATE

CA

ZIP

95833

PRINTED NAME OF PERSON SIGNING

Diana Malimon

TITLE

Contracts Office Manager,  
Contract Services Section

CONTRACTING AGENCY AUTHORIZED SIGNATURE

Diana Malimon

DATE SIGNED

01/18/2024

California Department of General Services Approval (or exemption, if applicable)

Exempt per; SCM Vol. 1 4.04.A.3 (DGS memo dated 06/12/1981)

APPROVED AS TO FORM:

CITY ATTORNEY

ATTEST:

## EXHIBIT A

### AUTHORITY, PURPOSE AND SCOPE OF WORK

1. Authority

Pursuant to Health and Safety Code section 50470, subdivision (b)(2)(C)(i), the State of California Department of Housing and Community Development (the "Department" or "State") has established the Prohousing Incentive Pilot Program ("PIP Program," or the "Program" as defined in Attachment C of the Guidelines) for Local Governments and Localities. This Standard Agreement, along with all its exhibits (the "Agreement"), is entered into under the authority of, and in furtherance of, the purpose of the Program. Pursuant to Health and Safety Code Section 50470, subdivision (d) ("PIP Statute"), the Department has issued the Prohousing Incentive Pilot Program Guidelines and Notice of Funding Availability ("NOFA") dated December 15, 2022, to govern administration of the fund and carry out the Program.

2. Purpose

In accordance with the authority cited above, the Grantee has been awarded financial assistance in the form of a grant from the Program. The Department has agreed to make the grant to provide financial assistance to accelerate housing production for housing related projects and programs that assist in addressing the unmet housing needs of their local communities pursuant to the terms of the PIP Statute, Guidelines and NOFA, and Permanent Local Housing Allocation (PLHA) Statute and Guidelines, and this Agreement. By entering into this Agreement and thereby accepting the award of the Program funds, the Grantee agrees to comply with the terms and conditions of the PIP Statute, Guidelines and NOFA, and PLHA Statute and Guidelines, and this Agreement, the representations contained in the application, and the requirements of the authority cited above. Based on the representations made by the Grantee, the State shall provide a grant in the amount shown in Exhibit B, Section 2, Grant and Reimbursement Limit.

3. Definitions

Terms not otherwise defined herein shall have the same meaning as definitions set forth in Health and Safety Code Section 50470 and Attachment C of the PIP Guidelines and Definition Section (Section 101) of the PLHA Guidelines.

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## EXHIBIT A

### 4. Scope of Work

The “Scope of Work” or “Work” for this Agreement shall be used to accelerate housing production for housing related projects and programs that assist in addressing the unmet housing needs of their local communities. Uses shall consist of one or more of the eligible uses described in Guidelines set forth in the PIP Application, Exhibit E of this Agreement and any other supplemental forms prescribed by the Department in full accordance with this Agreement, PIP Guidelines and PLHA Guidelines Section 301. Where eligible uses in PIP Guidelines Section 601 differ from PLHA Guidelines Section 301, the Department will defer to PLHA Guidelines except for eligible uses 7 (accessibility modifications) and 10 (fiscal incentives).

A Local government that receives an allocation shall use no more than five percent of the allocation for costs related to the administration of the Activity(ies) for which the allocation was made. Staff and overhead costs directly related to carrying out the eligible activities described in the PIP and PLHA Statute and Guidelines are “activity costs” and not subject to the cap on “administrative costs.” A Local government may share any funds available for administrative costs with entities that are administering its allocation.

The Scope of Work may in no event be revised or altered without the Department’s prior written consent and approval, and such consent and approval is within the Department’s sole and absolute discretion. The Department reserves the right, but assumes no obligation, to review and approve any and all Work.

### 5. Department Contract Coordinator

The Department’s Contract Coordinator of this Agreement is the Housing Policy Development Senior Program Manager, or the Manager’s designee. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be sent by email to the Department Contract Coordinator at [ProhousingIncentive@hcd.ca.gov](mailto:ProhousingIncentive@hcd.ca.gov).

### 6. Grantee Contract Coordinator

The Grantee’s Contract Coordinator for this Agreement is the Authorized Representative listed below.

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Authorized Representative Name:	Michael Jasso
Authorized Representative Title:	Assistant City Manager
Agency Name:	City of Sacramento
Address:	915 I Street, City Hall, 3 <sup>rd</sup> Floor Sacramento, CA 95814
Phone Number:	(916)808-1380
Email Address:	mjasso@cityofsacramento.org

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## EXHIBIT B

### BUDGET DETAIL AND PAYMENT PROVISIONS

#### 1. Application for Funds

- A. Grantee has submitted to the Department an Application for a Grant under the Program. The Department is entering into this Agreement on the basis of, and in reliance on fact, information, assertions and representations contained in the Application and any subsequent modifications or additions thereto approved by the Department. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. The 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 the 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 the Department's approval, disbursement, reimbursement, or monitoring of the funding and the grant or activities governed by this Agreement, the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

#### 2. Grant and Reimbursement Limit

The Department's decision to approve or deny an application or request for funding pursuant to the Program, and its determination of the amount of funding provided, shall be final. The maximum total amount granted and disbursable to the Grantee pursuant to this Agreement shall not exceed \$2,500,000.00.

#### 3. Grant Timelines

- A. This Agreement is effective upon approval by all parties and the Department, which is evidenced by the date signed by the Department on page one, Standard Agreement, STD 213 (the "Effective Date").
- B. The grant term begins on the day the Department and the grantee have fully executed the Standard Agreement as described in Exhibit D(1).
- C. All reimbursement requests for Grant funds must be submitted to the Department no later than March 30, 2025.

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- D. Upon completion of all deliverables within the Standard Agreement and prior to processing final invoicing, the awardee shall submit a Close Out Report.
- E. The Grantee shall deliver to the Department all supporting documents of Work performed on or before March 30, 2025, to ensure meeting the June 30, 2025, expenditure deadline. Under special circumstances, as determined by the Department, the Department may modify the March 30, 2025, reimbursement deadline but may not go beyond the expenditure deadline.
- F. It is the responsibility of the Grantee to monitor the project and timeliness of requests for reimbursement before the expenditure deadline.
- G. The grant term ends on June 30, 2026.

### 4. Conditions of Reimbursement

- A. The Department shall not award or disburse funds unless it determines that the grant funds shall be expended in compliance with the terms and provisions of the Guidelines, the NOFA, and this Agreement.
- B. Grant funds shall only be used by the Grantee for project activities approved by the State that involve the preparation and adoption of project activities as stated in the Scope of Work.
- C. A Grantee that receives funds under this Program may use a subcontractor. The subcontractor shall provide for compliance with all the requirements of the Program. The subcontract shall not relieve the Grantee of its responsibilities under the Program.
- D. After the contract has been executed by the Department and all parties, approved and eligible costs for eligible activities may be reimbursed for the project(s) upon completion of deliverables as set forth in the PIP Application, Exhibit E of this Agreement, and any other supplemental forms prescribed by the Department and subject to the terms and conditions of this Agreement. Applicants may request disbursements in advance of activity initiation under unique and/or unusual circumstances including but not limited to feasibility, lack of resources, or unavailability of funds.
- E. Only approved and eligible costs incurred for work after the NOFA date, continued past the date of execution and acceptance of the Standard

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Agreement and completed during the grant term until the expenditure deadline will be reimbursable.

- F. Approved and eligible costs incurred prior to the NOFA date are ineligible, unless otherwise approved by the Department.
- G. The Contractor may request that eligible uses or grant funds may be revised without an amendment to this Agreement. This request must be made in writing to HCD and shall be effective only upon written HCD approval. HCD's decision to approve or deny any such request shall be final.

### 5. Performance

The Grantee shall take such actions, pay such expenses, and do all things necessary to complete the scope of work and within the terms and conditions

### 6. Fiscal Administration

- A. The Grantee is responsible for maintaining records which fully disclose the activities funded by the PIP grant. Adequate documentation for each reimbursable transaction shall be maintained to permit the determination, through an audit if requested by the State, of the accuracy of the records and the allowability of expenditures charged to Prohousing Incentive Pilot Program grant funds. If the allowability of expenditure cannot be determined because records or documentation are inadequate, the expenditure may be disallowed, and the State shall determine the reimbursement method for the amount disallowed. The State's determination of the allowability of any expense shall be final.
- B. Prior to receiving grants, the Grantee shall submit the following documentation:
  - 1) Government Agency Taxpayer ID Form (GovTIN; Fi\$cal form).
  - 2) A Request for Funds on a form and manner provided by the Department; and
  - 3) Any and all additional documentation that may be requested by the Department in the prescribed form and manner.

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- C. Grant fund payment will be made on a reimbursement basis. Project invoices will be submitted to the Department by the grantee on a quarterly basis or, if earlier, upon completion of deliverables.
- D. The Department recognizes that budgeted deliverable amounts are based upon estimates. Grantees may request, in writing, a budget adjustment across deliverables subject to written approval by the Department, as long as the total budget does not exceed the maximum amount awarded to the Grantee.
- E. Work must be completed prior to requesting reimbursement, unless otherwise approved by the Department.
- F. Grant funds cannot be reimbursed until this Standard Agreement has been fully executed.
- G. The Grantee will be responsible for compiling all invoices and supporting documentation and reporting documents. Invoices must be accompanied by reporting materials where appropriate. Invoices without the appropriate reporting materials will not be paid. Failure to provide requested documentation to HCD could result in exclusion from consideration for grants in future program years.
- H. Supporting documentation may include but is not limited to purchase orders, receipts, progress payments, subcontractor invoices, timecards, or any other documentation as deemed necessary by the Department to support the reimbursement to the Grantee for expenses in accordance with the Grantee's PIP Program Application and the PIP Program Guidelines.
- I. The Grantee will submit documentation to the Department detailing actual costs incurred, which must be based on clear and completed objectives and deliverables as outlined in the PIP Application, Exhibit E of this Agreement, and any other supplemental forms prescribed by the Department
- J. In unique and/or unusual circumstances, the Department may consider alternative arrangements (e.g., disbursements in advance of activity initiation) to reimbursement and payment methods. Unusual circumstances include but are not limited to feasibility, unavailable funds or lack of resources and substantial progress in expenditure.

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- K. The Department may withhold Grant funds until the grant terms have been fulfilled.
- L. The Department may withhold eligible Program Grants in future program years until terms of this Agreement have been fulfilled to the satisfaction of the Department.

7. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the subsequent years covered under this Agreement does not appropriate sufficient funds for the program this Agreement shall remain in force and effect until the time of notice of reduced or terminated appropriation, The Agreement shall be terminated by the State by providing Grantee written notice of not less than thirty days prior to the effective date of the termination. In the event of termination by the State due to lack of Budget appropriation, the State and Grantee shall be relieved of any and all obligations under this Grant Agreement on the effective date of termination and the Grantee shall return the amount for subsequent year allocations.
- B. Subject to Section 7A above, if funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the sole discretion to cancel this Agreement without cause, no liability occurring to the State, or amend the current Grant Agreement and amount allocated to Grantee.

## EXHIBIT D

### PIP PROGRAM TERMS AND CONDITIONS

1. Effective Date, Commencement of Work

This Agreement is effective upon the date of the Department representative's signature on page one of the full executed Standard Agreement, STD 213. Grantee agrees that work under this Agreement shall not commence until execution of the STD 213, (the "Effective Date").

2. Strict Compliance

Grantee will strictly comply with the terms, conditions and requirements of the PIP Statute, Guidelines and NOFA, and PLHA Statute and Guidelines, and this Agreement.

3. Contractor's Application for Funds

- A. Grantee has submitted to the Department an Application for a Grant under the Program.
- B. 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.

4. Eligible Activities

- A. Grant funds awarded to the Grantee and expended by either the Grantee or any entity to which Grantee awards funds shall be used for the eligible activities set forth in Exhibit A(4). The following additional requirements shall apply:
  - B. Each Grantee shall submit a Plan contained in Exhibit E detailing:
    - 1) The manner in which allocated funds will be used for eligible activities.
    - 2) A description of how the Plan is consistent with the programs set forth in the Local government's Housing Element.
    - 3) The following for each proposed Activity:

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- a) A description of each proposed Activity and the percentage of funding allocated to it.
  - b) A description of major steps/actions and a proposed schedule required for the implementation and completion of the Activity.
  - c) Where applicable, the period of affordability and level of affordability for each Activity. Rental Projects are required to have affordability periods of at least fifty-five years.
- C. If funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects, the grantee shall record a deed restriction against the property that will ensure compliance with one of the following requirements if the property is no longer the primary residence of the homeowner due to sale, transfer or lease, unless it is in conflict with the requirements of another public funding source or law:
- 1) PIP Program loan and any interest thereon shall be reused consistent with the Eligible Activities specified in Exhibit A(4); or,
  - 2) The initial owner and any subsequent owner shall sell the home at an Affordable housing cost to a qualified Lower-Income or Moderate-Income household; or,
  - 3) The homeowner and the Local government shall share the equity in the unit pursuant to an equity-sharing agreement. The grantee shall reuse the proceeds of the equity-sharing agreement consistent with the Eligible Activities specified in Exhibit A(4).
- D. If funds are used for the development of an affordable rental housing project, and the Local government makes the PIP assistance in the form of a loan to the Sponsor of the project, the loan shall be evidenced through a Promissory Note secured by a Deed of Trust.
- E. A program income reuse plan describing how repaid loans shall be reused for Eligible Activities specified in Exhibit A(4).
5. Scope of Work Revisions and Terms/Amendments

- A. Adjustments to the terms within this Agreement must be completed as a contract amendment. Contract amendments must be approved by the

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Department prior to implementation. If approved, contract amendments shall automatically be deemed a part of, and incorporated into, this Agreement. Approval shall be provided in writing, as appropriate. Contract amendments shall include but not be limited to:

- 1) Changes in the total grant amount;
- 2) Changes in Payee(s);
- 3) Changes in the expiration date of this Agreement;
- 4) Changes to the grant term date;
- 5) Changes to the Reimbursement Deadline.

B. Revisions to the Scope of Work that may not require a contract amendment will be subject to the review and approval of the Housing Policy Development Senior Program Manager, or Manager's Designee. Such revisions must be approved by the Department prior to implementation. Approval shall be provided in writing, as appropriate. Adjustments to the Scope of Work (Exhibit E) shall include but not be limited to:

- 1) An increase or reduction of activity scope;
- 2) Changes to or reallocations among activities that do not change the total award amount;
- 3) Changes in affordability and level of affordability for each activity;
- 4) Changes to activity start and/or completion dates.

### 6. Core Practices

A Grantee or Subrecipient must provide eligible activities in a manner consistent with the housing first practices described in California Code of Regulations, title 25, section 8409(b)(1)-(6). A Grantee or Subrecipient allocated funds for eligible activities that provide permanent housing shall incorporate the core components of Housing First as provided in Section 8255(b) of the Welfare and Institutions Code.

### 7. Monitoring Grant Activities

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- A. Grantee shall monitor the activities selected and awarded by them to ensure compliance with PIP Program requirements. An onsite monitoring visit of Subrecipients and any other service providers may occur whenever determined necessary by the Grantee, but at least once during the Grant period.
- B. The Department will monitor the performance of the Grantee based on a risk assessment and according to the terms of this Agreement. The Department may also monitor any Subrecipients of the Grantee as the Department deems appropriate based on a risk assessment.
- C. As requested by the Department, the Grantee shall submit to the Department all PIP monitoring documentation necessary to ensure that Grantee and its Subrecipients are in continued compliance with PIP Program requirements. Such documentation requirements and the submission deadline shall be provided by the Department at the time such information is requested from the Grantee.

### 8. Reporting/Audits

- A. During the term of the Standard Agreement, the Department may request a performance report that demonstrates satisfaction of all requirements identified in the Standard Agreement and other Program requirements with emphasis on eligible activities, eligible uses, ineligible uses, and expenditures, according to timelines and budgets referenced herein.
- B. Grantees shall submit a report, in the form and manner prescribed by the Department, by April 1 of the year following the receipt of funds, and annually thereafter until funds are expended. The annual report shall contain a detailed report which must include, at a minimum:
  - 1) Identification of the Eligible Activities to which the Grantee committed program funds, and the income levels of households assisted;
  - 2) Amounts awarded to Subrecipients with the activity(ies) identified;
  - 3) Identification of the Eligible Activities upon which the Contractor expended program funds, and the income levels of households assisted and the affordability level for any units assisted; and
  - 4) Close out report for contracts that were fully expended and in which all activities funded were completed during the fiscal year.

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- C. The Department may request additional information, as needed.
- D. At any time during the term of the Standard Agreement, the Department reserves the right to perform or cause to be performed a financial audit. At the Department's request, the Contractor shall provide, at its own expense, a financial audit prepared by a certified public accountant. The State of California has the right to review project documents and conduct audits during and over the project life.
- E. If a financial audit is required by the Department, the audit shall be performed by an independent certified public accountant. Selection of an independent audit firm shall be consistent with procurement standards contained in 24 CFR 85.36.
  - 1) The Contractor shall notify the Department of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by the Department to the independent auditor's working papers.
  - 2) The Contractor is responsible for the completion of audits and all costs of preparing audits.
  - 3) If there are audit findings, the Contractor must submit a detailed response acceptable to the Department for each audit finding within ninety (90) days from the date of the audit finding report.

### 9. Retention and Inspection Records

- A. The Contractor is responsible for maintaining records, which fully disclose the activities funded by the Grant. Adequate documentation of each transaction shall be maintained to permit the determination, through an audit if requested by the State, of the accuracy of the records and the allowability of expenditures charged to Grant funds.
- B. The Grantee, its staff, contractors and subcontractors shall establish and maintain an accounting system and reports that properly accumulate incurred project costs by line. The accounting system shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for payment vouchers and invoices.

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- C. The Eligible Applicant shall maintain documentation of its normal procurement policy and competitive bid process (including the use of sole source purchasing), and financial records of expenditures incurred during the project in accordance with GAAP.
- D. The Eligible Applicant must establish a separate ledger account for receipts and expenditures of grant funds and maintain expenditure details in accordance with the scope of work, project timeline and budget. Separate bank accounts are not required.
- E. The Contractor agrees that the Department or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The Contractor agrees to provide the Department or its designee, with any relevant information requested.
  - 1) The Contractor agrees to permit the Department or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with the PLHA Statutes, the NOFA, and this Agreement.
- F. The Contractor further agrees to retain all records for a period of five years after the end of the term of this Agreement:
  - 1) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started 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.
  - 2) The Contractor also agrees to include in any contract that it enters in an amount exceeding \$10,000, the Department's right to audit the contractor's records and interview their employees. The Contractor shall comply with the caveats and be aware of the penalties for violation of fraud and for obstruction of investigation as set forth in California Public Code Section 10115.10.
- G. The determination by the Department of the eligibility of any expenditure shall be final. If the eligibility of any expenditure cannot be determined

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because records or documentation are inadequate, the expenditure may be disallowed, and the Department shall determine the reimbursement method for the amount disallowed.

- H. The Contractor shall retain all books and records relevant to this Agreement for a minimum of five years after the end of the term of this Agreement. Records relating to any and all audits or litigation relevant to this Agreement shall be retained for five years after the conclusion or resolution of the matter.
- I. Subcontractors employed by the Grantee and paid with moneys under the terms of this Standard Agreement shall be responsible for maintaining accounting records as specified above. The Grantee shall monitor and enforce subcontracts accordingly.

### 10. Breach and Remedies of Non-Performance

- A. The Department may monitor expenditures and activities of an applicant, as the Department deems necessary, to ensure compliance with Program requirements.
- B. Any dispute concerning a question of fact arising under this Standard Agreement that is not disposed of by agreement shall be decided by the Department's Housing Policy Development Manager, or the Manager's designee, who may consider any written or verbal evidence submitted by the Grantee. The decision of the Department's Housing Policy Development Manager or Designee shall be the Department's final decision regarding the dispute.
- C. Neither the pendency of a dispute nor its consideration by the Department will excuse the Grantee from full and timely performance in accordance with the terms of this Standard Agreement.
- D. In the event that it is determined, at the sole discretion of the Department, that the Grantee is not meeting the terms and conditions of the Standard Agreement, immediately upon receiving a written notice from the Department to stop work, the Grantee shall cease all work under the Standard Agreement. The Department has the sole discretion to determine that the Grantee meets the terms and conditions after a stop work order, and to deliver a written notice to the Grantee to resume work under the Standard Agreement.



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- E. Both the Grantee and the Department have the right to terminate the Standard Agreement at any time upon 30 days written notice. The notice shall specify the reason for early termination and may permit the Grantee or the Department to rectify any deficiency(ies) prior to the termination date. The Grantee will submit any requested documents to the Department within 30 days of the early termination notice.
- F. At any time, if the Department finds the applicant falsely proposed information in the application or as part of the application review, including documentation related to incentive payments (e.g., affordability, enhancements), the Department may require the repayment of funds or decline reimbursement.
- G. The Department may, as it deems appropriate or necessary, require the repayment of funds from a grantee, or pursue any other remedies available to it by law for failure to comply with Program requirements (Health and Safety Code section 50515.04(e)).
- H. The following shall constitute a breach of this Agreement:
  - 1) Grantee's failure to comply with any of the terms and conditions of this Agreement.
  - 2) Use of, or permitting the use of, grant funds provided under this Agreement for any ineligible costs or for any activity not approved under this Agreement.
  - 3) Any failure to comply with the deadlines set forth in this Agreement unless approved by the Program Manager.
- I. In addition to any other remedies that may be available to the Department in law or equity for breach of this Agreement, the Department may at its discretion, exercise the following remedies:
  - 1) Disqualify the Grantee from applying for future Program Funds or other Department administered grant programs;
  - 2) Revoke existing PIP Program award(s) to the Grantee;
  - 3) Decline reimbursement of funds;

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- 4) Require the return of unexpended Program funds disbursed under this Agreement;
  - 5) Require repayment of Program funds disbursed and expended under this Agreement;
  - 6) Require the immediate return to the Department of all funds derived from the use of Program funds including, but not limited to recaptured funds and returned funds;
  - 7) Seek, in a court of competent jurisdiction, an order for specific performance of the obligation defaulted upon, or the appointment of a receiver to complete the obligations in accordance with the PIP Program requirements; and
  - 8) Other remedies available at law, or by and through this Agreement.
- J. All remedies available to the Department are cumulative and not exclusive.
- K. The Department may give written notice to the Grantee to cure the breach or violation within a period of not less than fifteen (15) days.

11. Termination

- A. The Department may terminate this Agreement at any time for cause by giving a minimum of thirty days' notice of termination, in writing, to the Grantee. Cause shall consist of, violations of any terms and/or special conditions of this Agreement, the PIP Statutes, Guidelines or NOFA. Upon termination of this Agreement, unless otherwise approved in writing by the Department, any unexpended funds received by the Grantee shall be returned to the Department within thirty days of the notice of termination.
- B. This Agreement is subject to any additional restrictions, limitations or conditions, or statute, 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 the State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.

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- C. The Department has the option to terminate this Agreement under the thirty-day cancellation clause or to amend this Agreement to reflect any reduction of funds.

### 12. 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 the Department 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 the Department to enforce these provisions.

### 13. Relocation

Grantee shall comply with all requirements of applicable California relocation law (Gov. Code, § 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regulations, Title. 25, § 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by the State.

### 14. Relationship of Parties

It is expressly understood that this Standard Agreement is an agreement executed by and between two independent governmental entities and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship whatsoever other than that of an independent party.

### 15. Third-Party Contracts

- A. All state-government funded procurements must be conducted using a fair and competitive procurement process. The Grantee may use its own procurement procedures as long as the procedures comply with all City/County laws, rules and ordinances governing procurement, and all applicable provisions of California state law.
- B. Any contract entered into as a result of this Agreement shall contain all the provisions stipulated in the Agreement to be applicable to the Grantee's sub-recipients, contractors, and subcontractors. Copies of all agreements with sub-recipients, contracts, and subcontractors must be submitted to the Department's program manager upon request.

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- C. The Department does not have a contractual relationship with the Grantee's sub-recipients, contractors, or subcontractors, and the Grantee shall be fully responsible for all work performed by its sub-recipients, contractors, or subcontractors.
- D. In the event the Grantee is partnering with another jurisdiction or forming a collaborative effort between the Grantee and other jurisdictions who are grantees of the PIP Program, the Grantee acknowledges that each partner and/or all entities forming the SB 2 PIP Program collaborative are in mutual written agreement with each other but are contractually bound to the Department under separate, enforceable contracts.
- E. In the event the Grantee is partnering with another jurisdiction or forming a collaborative effort with other entities that are not grantees of the Prohousing Incentive Pilot Program, the Department shall defer to the provisions as noted in subsections 8(B) and 8(C) of this Section.
- F. The Grantee agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit E. These conditions shall be met to the satisfaction of the Department prior to disbursement of funds. The Grantee shall ensure that all Subrecipients are made aware of and agree to comply with all conditions of this Agreement and the applicable State requirements governing the use of Grant funds. The Grantee shall ensure that all Subrecipients are qualified to do business and in good standing with the California Secretary of State and the California Franchise Tax Board. Failure to comply with these conditions may result in cancellation of this Agreement.

16. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

- A. 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, equal opportunity, and all other matters applicable to the grant, the Grantee, its contractors or subcontractors, and any other grant activity.
- B. During the performance of this Agreement, the Grantee assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, ancestry, national origin, sex, gender, gender identity, gender expression, genetic information, age, disability, handicap, familial status, religion, or belief, under any program or activity funded by

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## EXHIBIT D

this contract, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 USC 3601-20) and all implementing regulations, and the Age Discrimination Act of 1975 and all implementing regulations.

- C. The Grantee shall include the nondiscrimination and compliance provisions of this clause in all agreements with its sub-recipients, contractors, and subcontractors, and shall include a requirement in all agreements with all of same that each of them in turn include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts they enter into to perform work under the Prohousing Incentive Pilot Program.
- D. The Grantee shall, in the course of performing project work, fully comply with the applicable provisions of the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)
- E. The Grantee shall adopt and implement affirmative processes and procedures that provide information, outreach and promotion of opportunities in the Prohousing Incentive Program project to encourage participation of all persons regardless of race, color, national origin, sex, religion, familial status, or disability. This includes, but is not limited to, a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, as required by 24 CFR 92.351.

### 17. 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 the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Grantee shall notify the Department immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the Department, and the Grantee shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

Prohousing Incentive Pilot (PIP) Program  
NOFA Date: 12/15/2022  
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**EXHIBIT D**

18. Special Conditions

The State reserves the right to add any special conditions to this Agreement it deems necessary to assure that the policy and goals of the Program are achieved.

## EXHIBIT E

### PROGRAM-SPECIFIC PROVISIONS AND SPECIAL CONDITIONS

1. Program-specific Provisions

The following are project-specific terms and conditions and shall inform the references made to project-specific information not contained in the Standard Agreement.

2. Budget Detail:

Grantee has been awarded the following grant activity amounts: \$2,500,000.00

Estimated allocation may not exceed: \$2,500,000.00

Payees: City of Sacramento

The authorized Payee(s) is/are specified below:

Name: City of Sacramento Attn: Michael Jasso, Assistant City Manager

Amount: \$2,500,000

3. Consistency with Housing Element Programs:

The proposed project is in alignment with the following goals and programs listed in the City of Sacramento's [Housing Element](#):

**H-2.3** Assist in the Development of Affordable Housing. The Prohousing Incentive Pilot funds will allow The City and SHRA to support affordable housing development through direct funding opportunities.

**H-2.5** Create Additional Local Funding for Affordable Housing. The City sought to apply for the Prohousing Incentive Pilot funds in order to create additional local funding for affordable housing.

**Program H3.** Establish New Sources of Funding for Affordable Housing.

The objective of this program is to increase available funding to construct affordable housing throughout the City of Sacramento. With the use of these funds, the City is able to offer more funding to affordable housing developers seeking funding through SHRA's Multifamily Housing Loan Program.

**EXHIBIT E**

Project Timeline, Budget, and Statement of Work (Plan):

PROJECT TIMELINE AND BUDGET AND STATEMENT OF WORK						
Objective	Responsible Party	Est. Cost	Begin	End	Deliverable	Notes
<i>Objective: Provide Gap Financing for Affordable Housing Project(s)</i>						
Subtask #1: Identify Partner/Agent	City	0%	Summer 2023	Summer/Fall 2023	MOU or other funding agreement	
Subtask #2: Solicit funding proposals	City or city's agent	0%	Summer 2023	Fall 2023	Issuance of Notice of Funding Availability (NOFA) or similar solicitation	Proposals will be solicit for predevelopment, development, acquisition, multifamily, rental housing that is affordable to extremely low, very low, low-, and moderate-income households.
Subtask #3: Proposal Review and Underwriting	City or city's agent	0%	Fall 2023	Winter 2024		
Subtask #4: Recommendations to legislative body(ies)	City or city's agent	0%	Winter 2024	Winter/Spring 2024	Board/Council approval	

Prohousing Incentive Pilot (PIP) Program

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**EXHIBIT E**

Subtask #5: Issue Commitment Letters to recommended project(s)	City or city's agent	0%	Winter/Spring 2024	Winter/Spring 2024	Commitment letter(s)
Subtask #6: Project(s) Finance closing and Project(s) Initiation	City or city's agent and Developer	\$2.5M	Spring-Fall 2024	2025	Closing Documents. Project initiation deliverables will depend on whether we are funding predevelopment (deliverable may include CDs), acquisition (deliverable may include property closing documents) or construction (deliverable may include evidence of work completion and funds expended if funding an early stage of construction or Certificate of Occupancy upon project completion).  Close financing for predevelopment, acquisition and/or development of multifamily, rental housing that is affordable to extremely low, very low, low-, and moderate-income households. Regulatory Agreement will be recorded on the property for a minimum of 55 years to ensure affordability. Activity allowable under 50470(2)(D)i

Prohousing Incentive Pilot (PIP) Program  
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**EXHIBIT E**

Subtask #7: Grant Closeout	City or city's agent	0%	March 30, 2025.	June 30, 2025	Supporting documentation	
	Total Estimated Cost:	\$2.5M				

Prohousing Incentive Pilot (PIP) Program  
 NOFA Date: 12/15/2022  
 Approved Date: 06/12/2023  
 Preparation Date: 10/20/2023

## EXHIBIT E

### 4. Special Terms and Conditions

The following Special Conditions are applicable to this Standard Agreement:

Pursuant to Exhibit D of this Agreement, PIP Program loans and any interest thereon shall be reused consistent with the Eligible Activities specified in Exhibit A(4).



## Attachment 2 – Scope of Development and Project Budget

### San Juan Apartments - A Mutual Housing Community Scope of Development

#### I. Project Description

San Juan Apartments – A Mutual Housing Community is located at 5700 Stockton Boulevard in Sacramento, and consists of seven parcels, some of which are located within the City of Sacramento, and some of which are located within the unincorporated Sacramento County. The new construction project to be undertaken by Sacramento Mutual Housing will bring 113 units of affordable housing to South Sacramento. The Project will comply with the American with Disabilities Act (ADA).

Construction materials will be new, excepting recycled items with written pre-approval from SHRA. All building and site improvements will adhere to SHRA’s minimum construction standards.

#### II. Environmental Mitigation Measures

Mitigation measures - Project development will install and appropriately designed soil vapor barrier and engineering controls to impede the migration of soil vapor into indoor air inside the proposed buildings. Mutual Housing will adhere to the vapor recovery measures in compliance with regulations set forth by the Central Valley Regional Water Quality Control Board.

#### III. Mitigation Monitoring Plan

Contractors will follow the approved Mitigation Monitoring Plan.

#### IV. Site Improvements

1. **Landscaping:** Project will be designed in accordance with County requirements and subject to SHRA approval.
2. **Irrigation System:** The automated irrigation system incorporates a “SMART controller” that senses rain to reduce water use. Irrigation piping and fixtures shall be installed with new system that includes appropriate water efficient fixtures.
3. **Playground Equipment:** A playground with equipment suitable for children up to age 12, and equipment suitable for toddlers, will be installed onsite.
4. **Pedestrian and Fire-access Gates:** Gates will meet code requirements.

5. **Site Accessories:** Bike racks, tables, benches, barbeques, etc., will be included in the development.
6. **Perimeter Fence:** The site will include full perimeter fencing
7. **Asphalt Parking Lot and Drive Aisles:** Parking lot and drive aisles will be designed in accordance with geotechnical recommendations. The parking lot will meet current code and ADA requirements, with respect to including required ADA van accessible parking.
8. **Pool -** A pool adjacent to the community area will be constructed. Pool areas will have self-closing gates. Pool, pool equipment, fences, and gates at pool areas will meet all applicable current local and state codes and standards. Joints between coping and concrete deck will be appropriately caulked. The pool will be approximately 25x45.

## V. Building Exterior Improvements

9. **Roof:** The roofing of all buildings have a minimum 20-year warranty using TPO roofing material.
10. **Gutters, Downspouts and Downspout Extensions:** All gutters, downspouts and downspout extensions will be new and connected to a storm drain system and/or routed to surface drain to site bio-retention planters.
11. **Balcony and Patio Enclosures:** 21 ground floor apartments will have private patios on grade; while 20 upper level apartments will have balconies with traffic bearing deck system
12. **Paint:** Building will have interior and exterior painting. Non-habitable structures on the property will match the habitable buildings.
13. **Windows and Sliders:** All windows will be energy-efficient windows. Windows will be designed to open and will have screens. Operable windows will have functional locks, and will be operable without excessive effort.
14. **Trash Enclosures:** The site will contain two trash enclosures with concrete aprons.
15. **Lighting:** The exterior wall light fixtures will feature energy efficient wallpacks to increase visibility. Site pole lights will have LED fixtures.
16. **Sidewalks and Ramps:** The sidewalks and ramps will meet current code and ADA requirements throughout the Project.
17. **Mailbox Units:** N/A
18. **Stairways, Railings and Landings:** Common area stairs will meet current accessible

codes for treads and risers, guardrails and handrails. Bottom of stairs will either be closed off for storage or provided with cane rails. Stairways in common areas will include closed risers and non-slip concrete finish or other slip-resistant material on the treads.

19. **Signage:** Monument signage, buildings, apartments, garages, parking, ADA, and property signage throughout as required by current code.
20. **Security:** New CCTV system with web-based cameras at primary automobile entrances, parking, common areas, mailboxes and community room(s).
21. **Exterior Building Systems:** Exterior mounted electrical, mechanical, and plumbing systems will be protected from vandalism

## VI. Building Interior

1. **ADA units:** The project will contain fully accessible units and hearing/visual equipped units at or above the minimum number required by building code, SHRA, or other state agency.
2. **Kitchens:** All kitchens will have new solid-surface counters, cabinets, drawers, refrigerator/freezer combination appliances, free-standing electric range/oven combination appliances, microwave ovens, ventilation hood appliances, dishwashers, sinks, garbage disposals, angle stops, low-flow faucets and finishes. All appliances will be EnergyStar or better. All kitchens will have adequate counter space and cabinet space. Shelving for microwaves will be provided in non-ADA units.
3. **Bathrooms:** All bathrooms will have solid-surface counters, sinks, tubs and surrounds, accessories (i.e., toilet paper holders, towel racks, shower rods and curtains), low-flow showerheads, low-flow toilets and low-flow faucets. Vanities will have cabinets and drawers. A humidistat fan will be installed in all bathrooms. Tub surrounds will be one single solid surface per wall. Vinyl sheet flooring will be installed in all residential bathrooms.
4. **Ceilings and Walls:** All interior walls and ceilings will have a drywall finish. In select areas of common areas (lobbies, community room, office areas, etc.) higher grade finishes (wood, tile, etc.) and acoustic panels / clouds may be used.
5. **Doors:** All doors will be new and will meet current egress standards. All door hardware will have matching finishes. Exterior doors will have deadbolt locks, keyed latch assemblies, viewers, and screws in strike plates long enough to penetrate the door jamb framing by at least one inch. The dwelling entry door hardware will have single action hardware to release deadbolt and latch assembly. All sliding exterior doors will have screen doors and shall have functional locks and must operate freely without excessive effort.
6. **Flooring:** New luxury vinyl plank (LVP) flooring will be installed in all rooms of each

residential unit including kitchens, living room, bedrooms, closets, etc.

7. **Windows:** New window blinds will be installed on all windows and sliders.
8. **Paint:** Paint will be applied to all walls, ceilings, and trim, in all rooms, closets and storage rooms.
9. **Electrical:** GFI outlets will be installed to code. New hardwired smoke and CO detectors will be installed in the hallways of all units. New hardwired smoke detectors will be installed in the bedrooms of all units. Broadband infrastructure will be provided.
10. **Lighting:** All kitchens, dining rooms, bedrooms, bathrooms and hallways will have new energy efficient light fixtures installed.

## VII. Community Areas

### 1. Community Room, Office, Kitchen and Restroom:

- a) The community building will contain a multipurpose room with shared kitchen, offices, and other community space.
- b) The kitchen will have solid-surface counters, refrigerator/freezer combination appliance, free-standing electric range/oven combination appliances, below counter microwave and shelf, dishwasher, sink, garbage disposal, and low-flow faucets. All appliances will be EnergyStar or better. Furniture, fixtures, and cabinets will be installed.
- c) The restrooms will meet current code and ADA requirements.
- d) Flooring in common areas will be LVP (minimum 20 mil wear layer) or carpet.

2. **Laundry Facilities:** All laundry facilities will meet code and ADA requirements. New vinyl sheet flooring, windows, doors, washer and dryer appliances, counter for folding laundry, lighting fixtures, humidistat, and paint on walls and ceilings will be installed.

**San Juan Apartments by Mutual  
Housing Residential Project  
Summary and Budget**

<b>Addresses</b>	Corner of Stockton Blvd. and Young Street: 5700 Stockton Blvd. 5258, 5266, 5280, 5300, 5320, 5340 Young St.					
<b>Number of Units</b>	113					
<b>Project Type</b>	New Construction					
<b>Acreage</b>	4.2					
<b>Unit Mix and Rents</b>	<u>30% AMI</u>	<u>40% AMI</u>	<u>50% AMI</u>	<u>60% AMI</u>	<u>Exempt Management Unit</u>	<u>Total</u>
1BR/ 1BA	7	7	11	14		39
2BR/ 1BA	5	5	14	16	1	41
3BR/ 2BA	3	3	12	15		33
<b>Total Units</b>	<b>15</b>	<b>15</b>	<b>37</b>	<b>45</b>	<b>1</b>	<b>113</b>
<b>Square Footage</b>	<u>Unit Size (sq.ft.)</u>		<u>Total (sq. ft.)</u>			
1BR/ 1BA	570		22,230			
2BR/ 1BA	870		35,670			
3BR/ 2BA	1,060		34,980			
Common Areas	52,621		52,621			
<b>Total Gross</b>			<b>145,501</b>			
<b>Resident Facilities</b>	Management offices, resident community space with kitchen, laundry facilities, landscape courtyards, toddler and school-aged play ground, barbecue areas, picnic tables, 144 vehicle parking spaces.					
<b>Permanent Sources</b>	<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>			
Tax Credit Equity	\$ 29,967,555	\$ 265,200	\$ 205.96			
Tax-Exempt Perm Loan	\$ 7,617,000	\$ 67,407	\$ 52.35			
SHRA County HOME	\$ 2,600,000	\$ 23,009	\$ 17.87			
SHRA County HTF Loans	\$ 5,250,000	\$ 46,460	\$ 36.08			
State Local HTF Loan	\$ 4,750,000	\$ 42,035	\$ 32.65			
SHRA County AHF Loan	\$ 5,200,000	\$ 46,018	\$ 35.74			
Housing Authority County Seller Carryback	\$ 123,000	\$ 1,088	\$ 0.85			
Housing Authority City Seller Carryback	\$ 545,000	\$ 4,823	\$ 3.75			
City Pro Housing Funds	\$ 2,500,000	\$ 22,124	\$ 17.18			
Green Means Go Loan	\$ 2,000,000	\$ 17,699	\$ 13.75			
SHRA County PLHA	\$ 1,700,000	\$ 15,044	\$ 11.68			
Deferred Developer Fee	\$ 3,250,000	\$ 28,761	\$ 22.34			
GP Contributions	\$ 2,412,369	\$ 21,348	\$ 16.58			
SMUD Incentives	\$ 176,563	\$ 1,563	\$ 1.21			
Build Incentives	\$ 339,000	\$ 3,000	\$ 2.33			
Accrued Interest	\$ 986,800	\$ 8,733	\$ 6.78			
<b>TOTAL SOURCES</b>	<b>\$ 69,417,287</b>	<b>\$ 614,312</b>	<b>\$ 477.09</b>			
<b>Permanent Uses</b>	<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>			
Acquisition	\$ 668,000	\$ 5,912	\$ 4.59			
Construction Costs	\$ 46,033,728	\$ 407,378	\$ 316.38			
Architecture & Engineering	\$ 2,922,053	\$ 25,859	\$ 20.08			
Permits/Fees	\$ 1,591,238	\$ 14,082	\$ 10.94			
Hard Cost Contingency	\$ 2,263,755	\$ 20,033	\$ 15.56			
<b>TOTAL HARD COSTS</b>	<b>\$ 53,478,774</b>	<b>\$ 473,263</b>	<b>\$ 367.55</b>			
Soft Cost Contingency	\$ 527,476	\$ 4,668	\$ 3.63			
Financing Cost	\$ 4,940,768	\$ 43,724	\$ 33.96			
Operating Reserves	\$ 478,822	\$ 4,237	\$ 3.29			
Legal Fees	\$ 160,000	\$ 1,416	\$ 1.10			
Developer Fee	\$ 8,422,369	\$ 74,534	\$ 57.89			
Third Party Fees, Marketing, Other	\$ 1,409,078	\$ 12,470	\$ 9.68			
<b>TOTAL SOFT COSTS</b>	<b>\$ 15,938,513</b>	<b>\$ 141,049</b>	<b>\$ 109.54</b>			
<b>TOTAL USES</b>	<b>\$ 69,417,287</b>	<b>\$ 614,312</b>	<b>\$ 477.09</b>			
<b>Leverage</b>	<u>SHRA \$ per Unit</u>	<u>Per Unit Cost</u>	<u>Leverage</u>			
	\$ 17,699	\$ 614,312	SHRA: Other \$1.00 : \$34.71			
<b>Management / Expenses</b>	Proposed Developer Property Management Company					
	Mutual Housing California Mutual Housing Management					
Operating Expenses	\$ 593,570	\$ 5,253	per unit			
Property Management Fee	\$ 77,268	\$ 684	per unit			
Resident Services	\$ 44,516	\$ 394	per unit			
Taxes and Insurance	\$ 165,379	\$ 1,464	per unit			
Replacement Reserves	\$ 56,500	\$ 500	per unit			