

Orange | Housing
County | Finance
Trust

REGULAR MEETING AGENDA - ORANGE COUNTY HOUSING FINANCE TRUST

WEDNESDAY, NOVEMBER 16, 2022 - 10:00 A.M.

MEETING WILL BE HELD VIA TELECONFERENCE/VIDEOCONFERENCE ONLY

STEPHEN FAESSEL
Chairman

SHARI FREIDENRICH
Vice Chair

DON BARNES
Director

LISA A. BARTLETT
Director

JAMEY FEDERICO
Director

DOUG CHAFFEE
Director

FRED JUNG
Director

DAVID PENALOZA
Director

ED SACHS
Director

Trust Manager
Adam Eliason

Trust Counsel
Lauren Kramer

Clerk of the Trust
Valerie Sanchez

GUIDANCE FOR PUBLIC ACCESS TO REDUCE RISK OF COVID-19: On September 16, 2021, Governor Gavin Newsom signed into law Assembly Bill 361 authorizing a local legislative body to hold public meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public due to the State of Emergency resulting from the threat of Novel Coronavirus (COVID-19). This meeting will be held via Zoom. Members of the public can listen to and participate in the live Zoom meeting by accessing the following:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/81939774019?pwd=ZGslbDlBZlZlVE0rdTZ5dUIMUIZmUT09>

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Webinar ID: 819 3977 4019

Members of the public may address the Trust regarding any item in the following ways:

1. Real-time Zoom Comment – To provide a real-time public comment during the meeting, please access the Zoom information identified above. Speakers will be recognized by the Trust Chair at the time the agenda item is to be considered. If attending virtually via Zoom, use the hand-raise icon to be called on for public comment, and if calling in via telephone, dial *9. A speaker's comments shall be limited to three minutes. Anyone causing disruption can be removed from the meeting at the discretion of the Chair.

2. Written Comment – The Trust is also accepting public comments to be submitted by emailing them to acliason@ochft.org. The comments will be distributed to all of the Directors and read into the record. If you wish to comment on a specific agenda item, please identify the item in your email. General public comments will be addressed during the general public comment item on the agenda. In order to ensure that staff has the ability to provide comments to the Directors in a timely manner, please submit your comments prior to noon the day before the meeting. Public comments will be made available to the public upon request. In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the Clerk of the Board's Office 72 hours prior to the meeting at (714) 834-2206

Except as otherwise provided by law, no action shall be taken on any item not appearing in the agenda. When addressing the Orange County Housing Finance Trust, please state your name for the record prior to providing your comments.

*All supporting documentation is available for public review online at:
www.OCHFT.org and in the office of the Clerk of the Board of Supervisors located in the
County Administration North building, 400 W. Civic Center Drive, 6th Floor,
Santa Ana, California 92701 during regular business hours,
8:00 a.m. - 5:00 p.m., Monday through Friday.*

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CONSENT CALENDAR ITEMS (Item 1):

1. Approve Orange County Housing Finance Trust minutes from the October 19, 2022, meeting

DISCUSSION ITEMS (Item 2-5):

At this time, members of the public in attendance may ask the Board to be heard, and emails received by members of the public will be read into the record on the following items as those items are called.

2. Provide direction to cancel December 14, 2022, OCHFT Board Meeting **OR** adopt Resolution finding that, due to the proclaimed state of emergency arising from the Novel Coronavirus (COVID-19) and local officials continued recommended measures to promote social distancing, it is necessary for Directors to participate in the meetings via teleconferencing.
3. Adopt resolution establishing the 2023 Orange County Housing Finance Trust meeting calendar.
4. Approve Second Round 2022 Notice of Funding Availability (NOFA); and authorize issuance of NOFA on November 21, 2022.
5. Approve a new three-year professional services agreement with CivicHome to provide management and administrative services to the Orange County Housing Finance Trust.

HOUSING TRUST MANAGER REPORT (Item 6):

6. Oral Report from the Housing Trust Manager

PUBLIC COMMENTS:

At this time members of the public may address the Trust, and emails received by deadline will be read into record on any matter not on the agenda but within the jurisdiction of the Trust. The Trust or Chair may limit the length of time each individual may have to address the Trust, and emails received are to be read.

DIRECTOR COMMENTS:

ADJOURNED:

NEXT MEETING: TBD

Agenda Item 1
Minutes – October 19, 2022

**REGULAR MEETING SUMMARY ACTION MINUTES
ORANGE COUNTY HOUSING FINANCE TRUST**

WEDNESDAY, OCTOBER 19, 2022, 10:00 A.M.

STEPHEN FAESSEL
Chairman

SHARI FREIDENRICH
Vice Chair

DON BARNES
Director

LISA A. BARTLETT
Director

JAMEY FEDERICO
Director

DOUG CHAFFEE
Director

FRED JUNG
Director

DAVID PENALOZA
Director

ED SACHS
Director

Trust Manger
Adam Eliason

Trust Counsel
Lauren Kramer

Clerk of the Trust
Valerie Sanchez

ATTENDANCE: Directors Barnes, Bartlett, Chaffee, Federico, Penaloza, Sachs and Faessel
(All Members participated via Zoom)

ABSENT: Directors Freidenrich and Jung

PRESENT: Trust Counsel
Clerk of the Trust
Trust Manager

Lauren Kramer
Valerie Sanchez
Adam Eliason

CALL TO ORDER

The Chairman called the meeting to order at 10:01 a.m.

PLEDGE OF ALLEGIANCE

Director Barnes led the pledge of allegiance

ROLL CALL

The Clerk called the roll and confirmed quorum

CONSENT CALENDAR (Item 1)

1. Approve Orange County Housing Finance Trust minutes from the September 28, 2022 meeting
ON THE MOTION OF DIRECTOR BARNES, SECONDED BY DIRECTOR SACHS, BY A VOTE OF 6 TO 0, WITH DIRECTORS JUNG, PENALOZA AND FREIDENRICH BEING ABSENT, THE BOARD APPROVED THE MINUTES OF THE SEPTMBER 28, 2022 REGULAR MEETING

DISCUSSION ITEMS (Item 2):

2. Adopt Resolution finding that, due to the proclaimed state of emergency arising from the Novel Coronavirus (COVID-19) and local officials continued recommended measures to promote social distancing, it is necessary for Directors to participate in the meetings via teleconferencing
ON THE MOTION OF DIRECTOR BARNES, SECONDED BY DIRECTOR BARTLETT, BY A VOTE OF 6 TO 1, WITH DIRECTORS JUNG AND FREIDENRICH BEING ABSENT AND DIRECTOR FEDERICO VOTING NO, THE BOARD APPROVED ITEM AS RECOMMENDED AND WILL HOLD NOVEMBER'S REGULAR MEETING AS A FULLY TELECONFERENCED MEETING TO AVOID TECHNICAL ISSUES EXPERIENCED DURING HYBRID MEETINGS
RESO: 22-014-OCHFT

HOUSING TRUST MANAGER REPORT (Item 3):

3. Oral Report from the Housing Trust Manager
TRUST MANAGER ADAM ELIASON REPORTED TWO PROJECTS FUNDED BY THE TRUST ARE BREAKING GROUND; VALENCIA GARDENS IN ORANGE WITH 62 UNITS WILL BREAK GROUND OCTOBER 20, 2022 AT 4:30 P.M. AND WEST VIEW HOUSE IN SANTA ANA WITH 85 UNITS WILL BREAK GROUND NOVEMBER 2, 2022 AT 2:00 P.M.; LAST WEEK CITY OF IRVINE VOTED UNANIMOUSLY TO JOIN THE TRUST; THE TRUST ALSO RECEIVED NOTIFICATION OF FUNDING AWARD OF \$3.75 MILLION FOR PROJECTS IN IRVINE AND YORBA LINDA AND THERE WILL BE A SEPARATE NOTICE OF FUNDING AVAILABILITY FOR THOSE FUNDS; YORBA LINDA IS ALSO WORKING TOWARD JOINING THE TRUST

PUBLIC & TRUST COMMENTS:

PUBLIC COMMENTS: None

DIRECTOR COMMENTS: None

ADJOURNED: 10:28 a.m.

NEXT MEETING: November 16, 2022 at 10:00 a.m.

STEPHEN FAESSEL
Chairman, Orange County Housing Finance Trust

VALERIE SANCHEZ
Clerk of the Orange County Housing Finance Trust

Agenda Item 2

Cancel 12/14/22 Board Mtg OR
Adopt Meeting Resolution

REQUEST FOR ORANGE COUNTY HOUSING FINANCE TRUST (OCHFT) BOARD ACTION

MEETING DATE: November 16, 2022

SUBJECT: Provide direction to cancel December 14, 2022, OCHFT Board Meeting **OR** adopt resolution allowing meetings via teleconferencing.

RECOMMENDED ACTION:

PROVIDE DIRECTION TO CANCEL DECEMBER 14, 2022, OCHFT BOARD MEETING **OR** ADOPT RESOLUTION FINDING THAT, DUE TO THE PROCLAIMED STATE OF EMERGENCY ARISING FROM THE NOVEL CORONAVIRUS (COVID-19) AND LOCAL OFFICIALS CONTINUED RECOMMENDED MEASURES TO PROMOTE SOCIAL DISTANCING, IT IS NECESSARY FOR DIRECTORS TO PARTICIPATE IN THE MEETINGS VIA TELECONFERENCING.



Adam B. Eliason, Manager

DISCUSSION:

The Orange County Housing Finance Trust (Trust) has been meeting virtually or in hybrid fashion since February 4, 2022. The Trust has followed the proclaimed COVID-19 State of Emergency and the County Health Officer's strong recommendation to socially distance for certain populations.

On October 17, 2022, the Governor announced that the COVID-19 State of Emergency will end on February 28, 2023. This extended deadline gives the health care system needed flexibility to handle any potential surge that may occur after the holidays in January and February, in addition to providing government entities, such as the Trust, the time needed to phaseout the virtual meeting option.

BOARD MEETING OPTIONS:

Given the deadline to end the State of Emergency on February 28, 2023, the Trust Board has the following options:

1. Continue with the scheduled, virtual only, Trust Board meeting on December 14, 2022, which would adopt the resolution that would allow the Trust Board to meet on January 18, 2023, in virtual only or hybrid fashion.
2. Cancel the Trust Board meeting on December 14, 2022, which would then require the January 18, 2023, Trust Board meeting to be held in-person along with the remainder of the Trust Board meetings in 2023 (see Agenda Item 3).

The Orange County Housing Finance Trust (Trust) met on February 4, 2022, considered the circumstances surrounding the proclaimed state of emergency due to the COVID-19 pandemic and found that meeting in person would present imminent risk to the health and safety of its attendees. Subsequent to the initial finding, the Trust met on February 16, 2022, March 16, 2022, April 13, 2022, April 27, 2022, May 18, 2022, June 8, 2022, June 22, 2022, July 20, 2022, August 17, 2022, September 14, 2022, and September 28, 2022, to reconsider the proclaimed state of emergency and found that meeting in person would continue to present imminent risk to the health and safety of its attendees. The County of Orange Health Officer revised his Orders and Strong Recommendations on September 23, 2022. As part of the revised Orders and Strong Recommendations, the Health Officer continues to strongly recommend social distancing for certain populations. During the subsequent meetings the Board reconsidered the proclaimed state of emergency, the Health Officer's strong recommendation and the ability to comply with that strong recommendation found that it was necessary for Directors to participate in the meetings via teleconferencing.

If Option 1 is adopted, the attached resolution would continue to comply with the requirements found in Government Code section 54953 (e) by considering the proclaimed state of emergency, the Health Officer's strong recommendation and the ability to comply with that strong recommendation.

ATTACHMENT:

Attachment A Resolution

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE ORANGE COUNTY HOUSING FINANCE TRUST
November 16, 2022

WHEREAS, California Government Code section 54953 (e) authorizes local agencies to use teleconferencing without complying with certain requirements during a proclaimed state of emergency; and

WHEREAS, this Board reviewed and considered the circumstances of the current state of emergency due to COVID-19 on February 4, 2022 and found that meeting in person would present imminent risk to the health and safety of its attendees; and

WHEREAS, on February 4, 2022, this Board resolved that it would meet virtually in accordance with Government Code section 54953 (e) and adopted its regular meeting calendar accordingly; and

WHEREAS, on February 16, 2022, March 16, 2022, April 13, 2022, April 27, 2022, May 18, 2022, June 8, 2022, June 22, 2022, July 20, 2022, August 17, 2022, September 14, 2022, September 28, 2022, and October 19, 2022 this Board reconsidered the circumstances of the current state of emergency due to COVID-19 and found that meeting in person would present imminent risk to the health and safety of its attendees; and

WHEREAS, The County of Orange Health Officer revised his Orders and Strong Recommendations on September 23, 2022;

WHEREAS, as part of the revised Orders and Strong Recommendations, the Health Officer strongly recommended social distancing for “Vulnerable Populations,” consistent with the Centers for Disease Control guidelines; and

WHEREAS, this Board found that it was not possible for the entire Board of Directors to safely socially distance themselves from each other when conducting the business of the Orange County Housing Finance Trust during its regular meetings; and

WHEREAS, in order to meet virtually, this Board must also make certain findings no later than every 30 days; and

WHEREAS, this Board has presently reviewed and considered the circumstances of the State of Emergency due to COVID-19; and

WHEREAS, this Board has presently reviewed and considered manners by which they may be able to adhere to the Strong Recommendations of the Orange County Health Officer.

NOW, THEREFORE, BE IT RESOLVED that

1. The above findings and recitals are true and correct and are incorporated herein in full by this reference
2. The Orange County Housing Finance Trust Board of Directors has reconsidered the circumstances of the state of emergency and determines that, due to state or local officials continued strong recommendation of measures to promote social distancing, it cannot

safely adhere to the County of Orange Health Officer Orders and Strong Recommendations to socially distance; and

3. In order to adhere to the County of Orange Health Officer Orders and Strong Recommendations to socially distance, it is necessary for Directors to participate in the meetings via teleconferencing.

Agenda Item 3
Adopt resolution for 2023
Calendar

REQUEST FOR ORANGE COUNTY HOUSING FINANCE TRUST (OCHFT) BOARD ACTION

MEETING DATE: November 16, 2022

SUBJECT: Adopt resolution establishing the 2023 Orange County Housing Finance Trust meeting calendar.

RECOMMENDED ACTION:

1. ADOPT RESOLUTION ESTABLISHING THE 2023 ORANGE COUNTY HOUSING FINANCE TRUST MEETING CALENDAR.



Adam B. Eliason, Manager

SUMMARY:

The Orange County Housing Finance Trust (Trust) desires to conduct regularly scheduled meetings throughout the year. This item recommends approval of the 2023 meeting calendar.

CALENDAR DISCUSSION:

In accordance with the Trust's Bylaws, the proposed 2023 calendar calls for meetings once every two months throughout the year for a total of six meetings. The meetings will be held at 10:00 a.m. on the third Wednesday of every month.

The location for the meetings in 2023 will be the new County Administration North (CAN) Multipurpose Rooms located at 400 W. Civic Center Drive, Santa Ana, CA 92701. Please note this is a new meeting location from what was previously approved in 2022.

The specific dates include the following:

- a. January 18, 2023
- b. March 15, 2023

- c. May 17, 2023
- d. July 19, 2023
- e. September 20, 2023
- f. November 15, 2023

The Trust Bylaws further specify that the Board of Directors shall select a Chair and a Vice-Chair on an annual basis at the July Board Meeting and adopt the new fiscal year budget at the May Board Meeting.

ATTACHMENT:

Attachment A Resolution

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE ORANGE COUNTY HOUSING FINANCE TRUST
NOVEMBER 16, 2022

WHEREAS, Government Code section 54954 requires the Board of Directors to adopt by ordinance, resolution, or bylaws the time and place for holding regular meetings; and

WHEREAS, the Orange County Housing Finance Trust Joint Powers Agreement authorizes the Board of Directors to fix the dates and times for its regular meetings by resolution; and

WHEREAS, it has been determined that establishing a calendar for Orange County Housing Finance Trust for regular meetings on the 3rd Wednesday of odd months, from 10am-11:30am will fulfill both the requirements of the Brown Act and the Joint Powers Agreement.

NOW, THEREFORE, BE IT RESOLVED that

1. The regular meetings of the Orange County Housing Finance Trust for the 2023 calendar year shall be the following:

The location will be County Administration North – 400 W. Civic Center Drive – Multi-Purpose Room, Santa Ana, CA 92701.

January 18, 2023
March 15, 2023
May 17, 2023
July 19, 2023
September 20, 2023
November 15, 2023

Agenda Item 4

Approve 2nd Round NOFA

REQUEST FOR ORANGE COUNTY HOUSING FINANCE TRUST (TRUST) BOARD ACTION

MEETING DATE: November 16, 2022

SUBJECT: Approve Second Round 2022 Notice of Funding Availability (NOFA); and authorize issuance of NOFA on November 21, 2022.



Adam B. Eliason, Manager

RECOMMENDED ACTION:

APPROVE THE TRUST'S SECOND ROUND 2022 NOTICE OF FUNDING AVAILABILITY (NOFA) TO FINANCE THE DEVELOPMENT OF AFFORDABLE AND PERMANENT SUPPORTIVE HOUSING IN THE CITIES OF IRVINE AND YORBA LINDA AND AUTHORIZE THE ISSUANCE OF THE NOFA ON NOVEMBER 21, 2022.

BACKGROUND:

On October 11, 2022, the California Department of Housing and Community Development (HCD) announced that the Trust has been awarded a Local Housing Trust Fund (LHTF) amount of \$3,756,424. This funding is only for projects located in cities that had, at the time of application, an adopted Housing Element determined by the HCD to be in compliance with state Housing Element law. Only Irvine and Yorba Linda had adopted Housing Elements found in compliance with state Housing Element Law as of May 25, 2022.

The Second Round 2022 NOFA makes this LHTF funds available for projects in the cities of Irvine and Yorba Linda, as well as an equal amount of Mental Health Services Act (MHSA) funds for the required match necessary under the LHTF program. The Second Round 2022 NOFA has been updated from the first round 2022 NOFA to include updated scoring criteria to more closely match recent changes in other affordable housing financing programs, and to increase the per-unit subsidy limit for non-MHSA units, which has not been changed since the Trust's initial NOFA in 2020. Since 2020, construction labor and materials has risen substantially, and the increase is meant to offset that increase.

Trust staff has met with both Irvine and Yorba Linda city housing staff regarding this NOFA. Both cities are supportive of issuing this NOFA with its accelerated timeframe due to existing projects and tax credit financing deadlines. It is anticipated that both cities will have at least one project applying for funding under this NOFA.

The Second Round 2022 NOFA will make \$7,137,205.60 available for project financing of affordable and permanent supportive housing in the cities of Irvine and Yorba Linda. The available funds come from three sources:

1. 2022 County Mental Health Services Act (MHSA) (\$2,007,590)
2. 2023 County Mental Health Services Act (MHSA) (\$1,561,012.80)
3. State of California - Local Housing Trust Fund Program (\$3,568,602.80)
 - a. (\$3,756,424 total LHTF grant less \$187,821.20 administrative costs)

The Second Round 2022 NOFA forward commits \$1,561,012.80 in 2023 MHSA funds that are committed to the Trust by the County of Orange. The Trust will receive the 2023 MHSA funds in summer of 2023 and ahead of when the funds are needed for this NOFA.

The following is a summary of the substantive changes to the Second Round 2022 NOFA:

1. Limits project eligibility to projects located in the cities of Irvine and Yorba Linda.
2. Allows for cities to contribute funds to the Trust for use in projects in their cities to use as matching funds for LHTF Program awards for those projects.
3. Removes the requirement to allocate funds proportionally between the Service Planning Areas.
4. Increases the non-MHSA per-unit subsidy limit.
5. Add scoring criteria for projects located in high or highest resource areas according to the TCAC/HCD Opportunity Area Map.

It is proposed that this NOFA be issued on November 21, 2022, with the application deadline on December 5, 2022. Trust staff will bring a project funding recommendation to the Board at the January 18, 2023, Board Meeting.

A clean and redlined version of the Second Round 2022 Trust NOFA is provided as Attachment A and B. Staff recommends approval of this agenda item.

ATTACHMENTS:

Attachment A – Second Round 2022 Notice of Funding Availability

Attachment B – Second Round 2022 Notice of Funding Availability Redline from first round 2022 NOFA

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1 League #62335
Irvine, CA 92602

2022 SECOND ROUND
PERMANENT SUPPORTIVE AND
AFFORDABLE HOUSING
NOTICE OF FUNDING AVAILABILITY
DUE DATE: 5:00 P.M. - DECEMBER 16, 2022

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Section 1 INTRODUCTION

This Second Round 2022 Permanent Supportive and Affordable Housing Notice of Funding Availability (NOFA) announces the availability of seven million, one-hundred thirty-seven thousand, two hundred and five dollars and sixty cents (\$7,137,205.60) in Orange County Housing Finance Trust (OCHFT) (the “Trust”) funds to promote the new construction or acquisition/rehabilitation of Permanent Supportive and Affordable Housing for developments located in the cities of Irvine and Yorba Linda that serve Orange County’s extremely low-income households, and those experiencing homelessness by providing below market rate financing. Interested and qualified developers who can successfully demonstrate their ability to acquire, build or substantially rehabilitate, and operate Permanent Supportive and Affordable Housing are encouraged to submit proposals.

The Orange County Housing Finance Trust has been awarded \$7,137,205.60 by the California Department of Housing and Community Development through the 2022 Local Housing Trust Fund (LHTF) Program. However, this award can only be expended on developments located in the cities of Irvine and Yorba Linda, due to the fact that these two cities were the only cities in Orange County that had an adopted compliant housing element at the time the Trust submitted its 2022 application for the LHTF program.

The NOFA application deadline shall be approximately 25 days after the release of this NOFA. All applications submitted within the NOFA application period shall be reviewed by Trust staff to ensure compliance with all threshold requirements and shall be competitively scored.

The sources of capital funds made available for this NOFA are the following:

1. County Mental Health Services Act	\$3,568,602.80
2. State of California - Local Housing Trust Fund Program.....	\$3,568,602.80
TOTAL	\$7,137,205.60

The Trust reserves the right to increase or decrease the amount in this NOFA at the direction of the Orange County Housing Finance Trust Board.

Section 2 PROGRAM DESCRIPTION

2.01 FUNDS AVAILABLE

Up to five million, seven million, one-hundred thirty-seven thousand, two hundred and five dollars and sixty cents (\$7,137,205.60) is made available from Trust. Of that, three million, five-hundred sixty-eight thousand, six-hundred and two dollars (\$3,568,602.80) is from the Local Housing Trust Fund (LHTF) Program, which requires a local match to receive. An equal amount will be available in Mental Health Services Act (MHSA) funds that can be used as a matching source for the LHTF Program. However, cities have the option (not required) to donate additional non-housing funds (i.e. land, Permanent Local Housing Allocation (PLHA), etc.) to be used in developments in their cities as additional matching funds to maximize the award of LHTF Program funds.

Funding will be made available to projects with MHSA units. However, funds originating from the LHTF program may be used for non-MHSA units within projects receiving MHSA funds through the Trust.

2.02 MENTAL HEALTH SERVICES ACT (MHSA) ALLOCATION

Projects seeking MHSA funds must be reviewed by the Orange County Health Care Agency. Applicants are encouraged to submit their projects to the Health Care Agency, as soon as possible, and must meet with the Health Care Agency no later than December 5, 2022 to initiate the Health Care Agency's review process. More information regarding this requirement can be found in Section 5.10, *Health Care Agency Acknowledgement Letter*.

2.03 ELIGIBLE PROJECTS

Projects eligible under this NOFA must be located within the cities of Irvine and Yorba Linda. Projects must include a minimum of five (5) MHSA units which are assisted under this NOFA and must provide permanent supportive or affordable housing restricted to persons or families who qualify as extremely low income. Proposals must include a plan and eventual funding for the provision of supportive services appropriate to the needs of the designated population, if supportive services are being proposed.

Applicants who are awarded LHTF funds through this NOFA must comply with the State of California Housing and Community Development (HCD) 2017 Uniform Multifamily Regulations (UMR). The 2017 UMR can be found on HCD's website at <https://hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations.shtml>.

2.04 ELIGIBLE APPLICANTS

Proposals will be accepted from non-profit and for-profit organizations, joint ventures, or partnerships that serve extremely low-income households, and those experiencing homelessness.

2.05 ELIGIBLE ACTIVITIES

Funds shall be used to develop permanent supportive or affordable rental housing through new construction, acquisition/rehabilitation and/or conversion of commercial and light industrial to residential use on a case-by-case basis.

2.06 ELIGIBLE COSTS

Under this NOFA, funds may be used for construction loan financing and/or permanent loan financing. To the extent that all sources of project funding has been secured and are a part of either the construction loan and/or the permanent loan the following costs are eligible: “hard” costs of construction or rehabilitation of housing, “soft” costs associated with acquisition, financing, and/or rehabilitation. “Soft” costs include marketing costs (not to exceed \$1,500 per unit), appraisals, architectural and engineering fees, individual apartment furnishings, certain common area furnishings (not to exceed \$1,000 per unit), building permit fees, credit reports, environmental assessments, impact fees, legal and accounting costs, private lender origination fees, recording fees, surety fees, and title insurance. An overall cost limitation of fourteen percent (14%) of the cost of construction shall apply to contractor overhead, profit, and general requirements, excluding contractor’s general liability insurance. For purposes of contractor overhead and profit, the cost of construction includes site work, structures, prevailing wages, and general requirements. For purposes of general requirements, the cost of construction includes offsite improvements, demolition and site work, structures, and prevailing wages.

2.07 AFFORDABILITY COVENANT

Restricted units must remain affordable for the remaining life of the project, which shall be no less than fifty-five (55) years. A restrictive covenant will be recorded against the property to ensure affordability during the term of the agreement. All projects shall be required to agree to maintain the project’s affordability for the term of the restrictive covenant, regardless of whether the loan is fully repaid.

The annual reporting requirements will be outlined in the Regulatory Agreement. Projects receiving funds from the Trust shall report annually certifying that they are in compliance with the occupancy and affordability requirements of the Regulatory Agreement.

Program Compliance shall utilize a two-step monitoring process that provides for monitoring of all affordable housing developments financed with funds from the Trust. Monitoring of each development will occur in two phases: Phase 1: In-house review of annual reports, and Phase 2: Annual on-site monitoring visit, which shall include monitoring of tenant files in accordance with the affordability and income restrictions of the restrictive covenant and a Housing Quality Standards (HQS) inspection.

2.08 LOAN AWARD TERMS & CONDITIONS

Applicants shall agree to the Loan Award Terms and Conditions detailed in this section as part of any funding award. Failure to accept these Loan Award Term and Conditions will result in forfeiture of any funding award.

2.10.1 **Funding Timing:** Loan funds will be made available at the closing of the construction loan and/or closing of the permanent loan and is subject to the timing of HCD final approval of the loan documents. The Trust **will not** bifurcate award funding in order to meet closing dates occurring before HCD’s final approval of the loan documents.

2.10.2 **Interest Rate:** Loans will bear an interest rate of three percent (3%) simple interest. Interest will be calculated based on a 360-day year and the actual number of days elapsed. The Orange County Housing Finance Trust reserves

the right to renegotiate this rate for the benefit of the Trust and the project.

2.10.3 **Term:** Loans will be for a term of fifty-five (55) years, from end of the construction period and conversion to permanent financing, as defined in the loan documents.

2.10.4 **Loan Repayment:** The Trust loan will be repaid through residual receipts. An amount equal to fifty percent (50%) of Net Operating Income (as defined in Section 2.10.5, *Residual Receipts Loans*, below), if any, will be paid to the Trust and other public agencies (if any) providing residual receipts loans, and fifty percent (50%) to the developer. The 50% of cash flow payable to public agencies shall be shared by agencies in an amount proportional to the loan provided by such agencies. The value of non-loan contributions by other agencies (i.e. ground lease, project-based vouchers) shall not be considered as part of the loan value when calculating the Trust's share of the residual receipts split.

2.10.5 **Residual Receipts Loans:** The following is the definition of a residual receipts loan, which will be used by the Trust to underwrite projects:

The loan for the project will be repaid from the Net Operating Income (NOI), if any, from the project as calculated ninety (90) days after the close of each fiscal year. NOI shall mean all of the rental revenue from the residential portion of the project (the "Annual Project Revenue") less (i) operating expenses of the project as approved by the Trust (the "Annual Operating Expenses") in an annual audit submitted by the developer and approved by the Trust; (ii) obligated debt service payments on the Project as approved by the Trust; (iii) scheduled deposits to reserves, as approved by the Trust; (iv) deferred developer fees, as approved by the Trust; and (v) partnership management or asset management fees as approved by the Trust.

Annual Project Revenue shall not include tenant security deposits, capital contributions, insurance or condemnation proceeds, income received for the purpose of completing the project, or funding received for the purpose of social services to the residents.

By applying to this NOFA, Applicant understands and agrees to the definitions stated above and must use these assumptions in the further underwriting of their project.

Exclusions to NOI: It is the policy of the Trust that the following costs, fees, charges, penalties, judgments and the like shall not be deducted from the Annual Project Revenue by the developer thereby reducing the amount of NOI available to pay the Trust's loan, including those arising out of: (i) a breach or default of the Trust's loan or any other mortgage loan on the project, (ii) the fraud, negligence or willful misconduct of developer, (iii) the failure to make timely payments under any loan secured by the project, (iv) the breach or default by developer under any other contract, lease or agreement pertaining to the project; and (v) any other cost, expense, fee or the like which is not first

approved by the Trust. The approved Operating Expenses of the project shall also not include other expenses such as intra-partnership or other internal loans of the operating entity, depreciation, amortization, accrued principal and interest expense on the deferred payment debt and capital improvement expenditures unless approved by the Trust.

2.10.6 **Security:** The loan shall be evidenced by a promissory note and secured by a deed of trust.

2.10.7 **Subordination:** The Orange County Housing Finance Trust may, at its sole discretion, subordinate repayment, security positions, and affordability covenants to a conventional lender or other public agency lenders such as the State of California HCD, County of Orange, city loans, and CalHFA or AHP loans.

2.09 MAXIMUM LOAN AMOUNT/SUBSIDY LIMITS

The maximum loan/subsidy amounts shall be calculated on the basis of the number of units assisted by the Trust and shall vary by unit size. However, in no case shall the Trust’s investment in a single development exceed two-million five-hundred thousand dollars (\$2,500,000). This cap may be waived at the sole discretion of the Trust Board. Final award amounts shall be at the discretion of the Trust Board. The maximum unit subsidy limits are shown below:

Unit Size	Maximum Loan Amount	
	Non-MHSA Units	MHSA Units
0 Bedroom	\$110,000	\$177,145
1 Bedroom	\$125,000	\$177,145
2 Bedroom or larger	\$135,000	\$177,145

Under no circumstances may a development exceed a total MHSA subsidy per unit regardless of sources of MHSA funds. In the event that a project has already been awarded the maximum loan amount per unit in MHSA funds, that project will not be eligible for additional MHSA funds from the Trust. If a project has received an award of MHSA funds less than the maximum loan amount per unit, the applicant may apply for additional MHSA funds to bring their total award up to the maximum loan amount per unit.

2.10 DEVELOPER FEE LIMIT

The maximum Developer Fee shall be the same as the maximum allowed under the State Tax Credit Allocation Committee regulations for those projects that have been or will be awarded Low-Income Housing Tax Credits, as adopted at the time this NOFA was issued. For projects not receiving Low-Income Housing Tax Credits, the maximum Developer Fee shall be the same as the maximum allowed under the State of California Housing and Community Development 2017 Uniform Multifamily Regulations.

2.11 NOFA SCHEDULE MILESTONES

The Orange County Housing Finance Trust is committed to helping Permanent Supportive and Affordable Housing units be occupied as quickly as possible. The Trust will strive to meet the

following milestones:

1. NOFA Issuance – November 21, 2022
2. Health Care Agency Meeting Deadline – December 5, 2022 (make sure to schedule this with the HCA at least one week prior to the deadline).
3. Applications Deadline – December 16, 2022, 5:00pm
4. Application Review Committee meeting December 2022
5. Trust Board Meeting and approval of NOFA awards – January 18, 2023

2.12 APPLICATION REVIEW COMMITTEE

After the close of the NOFA application period, the Orange County Housing Finance Trust will convene an Application Review Committee to review and score the applications. The Application review Committee may include:

- OCHFT's financial consultant
- County Health Care Agency Staff Member
- OCHFT Manager
- County of Orange Affordable Housing Development Manager
- Private sector representative with experience in homelessness

2.13 FORM OF LOAN DOCUMENTS

The Orange County Housing Finance Trust's standard loan document is included with this NOFA as Attachment A. These loan documents will be modified and negotiated on a project by project basis.

Section 3 THRESHOLD REQUIREMENTS

3.01 COORDINATED ENTRY SYSTEM

To be eligible to live in units assisted with Orange County Housing Finance Trust funding through this NOFA, each potential tenant must be referred by and go through the County of Orange Coordinated Entry System (a process developed to ensure that a fair and equal access to housing are quickly identified, assessed for, referred, and connected to housing and assistance based on their strengths and needs). Trust funded units shall not have additional residency restrictions placed on tenancy by local municipalities.

3.02 INCOME LIMITS

All units assisted with Orange County Housing Finance Trust funding through this NOFA will be required to be restricted to households whose income does not exceed Thirty Percent (30%) Area Median Income, as adjusted for household size with rents that are affordable to such households. Utility costs shall be deducted from the tenants rent so that rent and utilities combined remain at an affordable level. Projects receiving funding through the California Department of Housing and Community Development's (HCD's) Local Housing Trust Fund Program must meet the income limits as published by HCD (<https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2021.pdf>).

3.03 SUPPORTIVE SERVICES

MHSA units funded by the Trust shall include supportive services to ensure the maximum possible self-sufficiency by the tenants. Applicants must meet with the Orange County Health Care Agency prior to December 5th, 2022 to ensure the project meets all of the requirements for MHSA funding. Requirements for submission to the Health Care Agency can be found in Attachment B. See Attachment C – Mental Health Services Act Funding Term Sheet for loan terms and conditions applicable to all MHSA funded units.

For projects not applying for MHSA funds through this NOFA, a Social Services Plan and budget is required to document anticipated services that will be provided for all other supportive and non-supportive units in the proposed project. This Social Services Plan shall identify a lead service provider and other service providers who will be working with residents. A list of services should be included for each population that will be served at the property.

3.04 RESERVES

Projects funded by the Trust shall include a Capitalized Operating Reserve. Projects that have project-based rental assistance, such as Project Based Section 8 or Veterans Affairs Supportive Housing (VASH) Vouchers, may forego the Capitalized Operating Reserve. The Capitalized Operating Reserve shall provide for the ongoing operation and maintenance of the project and the provision of required supportive services throughout the term of the of the loan agreement.

In addition to the Capitalized Operating Reserve, projects shall provide for a Replacement Reserve to cover replacement of capitalized cost items. Projects requesting MHSA funds through the Trust shall provide Replacement Reserves at no less than \$500/unit/year, increasing 5% every five years.

3.05 COMPLIANCE MONITORING FEE

The Orange County Housing Finance Trust shall charge all projects an annual compliance

monitoring fee of \$103 per unit per year, increasing annually in accordance with the Consumer Price Index for Los Angeles – Anaheim – Riverside (All Urban Consumers – All Items) (CPI).

3.06 FINANCIAL COMMITMENTS

Projects must have all financing committed within 18 months of the Trust’s award letter or risk losing their project funding. The Trust reserves the right to extend this time limit at its sole discretion.

3.07 UNDERWRITING ASSUMPTIONS

The Orange County Housing Finance Trust has developed a set of underwriting assumptions to evaluate the financial feasibility of each project. These underwriting assumptions as based on the requirements of the Trust’s funding sources and industry best practices. The underwriting assumptions can be found in Attachment D. Applicants are encouraged to use these underwriting assumptions in their project proforma that will be submitted as part of their application to this NOFA. Further underwriting requirements are contained in the California Department of Housing and Community Development Uniform Multifamily Regulations located at <https://hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations.shtml>

Section 4 SCORING

Applications will be competitively scored and ranked. Scoring serves as a basis to compare applications but ultimately the decision to award funds is based upon the Trust Board approval.

Project scoring shall be based on the following categories:

1. Project readiness;
2. Developer experience; and,
3. Service enriched location.

Projects that have identical scores based on the project scoring will be ranked by a tie-breaker detailed below in Section 4.04, *Tiebreaker*.

4.01 PROJECT READINESS

Projects shall be scored on how quickly they will have units ready for occupancy. Projects will receive a maximum of 35 points for project readiness. For acquisition/rehab projects, projects will be deducted one point for each month past June 1, 2023 for its scheduled loan closing. For new construction projects, projects will be deducted one point for each month past December 1, 2023 for its scheduled loan closing.

4.02 DEVELOPER EXPERIENCE & FINANCIAL STRENGTH

A maximum of 40 points will be available for applicants based on their prior development experience and financial strength. One point will be awarded for every ten (10) units of Permanent Supportive and Affordable Housing that the applicant developed and currently operates. Discretionary scoring may adjust this number downward based upon the financial strength of the applicant.

4.03 SERVICE ENRICHED LOCATION

Projects will be awarded a maximum of 25 points based on proximity to nearby amenities. Distances must be measured using a standardized radius from the development site to the target amenity, unless that line crosses a significant physical barrier or barriers. Such barriers include highways, railroad tracks, regional parks, golf courses, or any other feature that significantly disrupts the pedestrian walking pattern between the development site and the amenity. The radius line may be struck from the corner of development site nearest the target amenity, to the nearest corner of the target amenity site. However, a radius line shall not be struck from the end of an entry drive or on-site access road that extends from the central portion of the site itself by 250 feet or more. Rather, the line shall be struck from the nearest corner of the site's central portion. Where an amenity such as a grocery store resides within a larger shopping complex or commercial strip, the radius line must be measured to the amenity exterior wall, rather than the site boundary. The resulting distance shall be reduced in such instances by 250 feet to account for close-in parking.

Amenity definitions and criteria mentioned below shall have the same definition as the California Tax Credit Allocation Committee Regulations in effect at the time this NOFA was issued.

- 4 <https://www.treasurer.ca.gov/ctcac/programreg/2022/20220720/2022-Regulations.pdf>**Grocery Store**

Projects will be awarded 5 points if they are within 0.25 miles of a full-scale grocery store. Projects will be awarded 2 points if they are within 0.50 miles of a grocery store.

4.03.2 Medical Care

Projects will be awarded 5 points if they are within 0.5 miles of a hospital. Projects will be awarded 3 points if they are within 0.5 miles of an urgent care facility or qualifying medical clinic with a physician, physician's assistant, or nurse practitioner onsite for a minimum of 40 hours each week (not merely a private doctor's office). A qualifying medical clinic must accept Medi-Cal payments, or Medicare payments or have an equally comprehensive subsidy program for low-income patients.

4.03.3 Community Center

Projects will be awarded 5 points if they are within 0.5 miles of a public library or community center that is open at least 5 days a week to the general public.

4.03.4 Public Park

Projects will be awarded 5 points if they are within 0.5 miles of a public park.

4.03.5 Transit

Projects will be awarded 5 points if they are within 0.5 miles of a bus station, or bus stop that provides service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m., Monday through Friday. If frequency and hours cannot be met but the project is still within 0.5 miles, 3 points will be awarded.

4.04 DEVELOPMENT PIPELINE

Projects will be awarded 10 points if they are included on the Trust's Development Pipeline no later than November 1, 2022. New projects can be added to the Trust's Development Pipeline at any time on the Trust's website at <https://ochft.org/development-pipeline>. Applicants do not need to show evidence of project inclusion on the Trust's Development Pipeline as part of their application.

4.05 AFFIRMATIVELY FURTHERING FAIR HOUSING

Projects will be awarded 8 points if they are located in a High or Highest Resource area designated on the 2022 TCAC/HCD Opportunity Area Map (<https://belonging.berkeley.edu/2022-tcac-opportunity-map>).

4.06 TIE BREAKER

Projects receiving identical scores based on the project scoring will be ranked based on a tie breaker. The tie breaker is intended to determine the efficiency of each project's use of Trust funds. The tie breaker is a calculation of the requested Trust loan amount per unit in the project. (Total project request / total number of affordable units in the project = Trust dollars/unit.) The total number of affordable units in the project includes all affordable units, not limited to the number of units the applicant is requesting be funded through this NOFA. If a project includes multiple phases, the total number of affordable units in the project shall only include the number of units being proposed as part of the phase of the project that is being considered as part of the application to this NOFA.

Section 5 APPLICATION

This NOFA has an online application that is available at (<https://forms.gle/UXceq5oNkLaBkBch6>). Applications must be submitted through this website no later than 5:00pm, December 16, 2022. All submissions will be automatically date and time stamped. The application will consist of several parts, which are described below.

The online application form cannot be saved as a work-in-progress, and can only be saved once fully complete. A copy of the entire application form is provided as Attachment E to this NOFA.

5.01 GENERAL APPLICATION FORM

The General Application Form includes basic information about the project and the applicant. Project information will include project name, address, and type of project. Applicant information will include the applicant name, contact information, and the legal structure of the applicant.

5.02 PROJECT NARRATIVE

A narrative description of the project is required. The project narrative must include:

1. The purpose and the scope of the project.
2. Identify the neighborhood the project will serve.
3. Summarize the condition of the housing stock in the neighborhood.
4. Document neighborhood services (public transportation, schools, shopping, etc.)
5. Discuss the process and timing to receive entitlement approvals.

The project's narrative description will be submitted as a long-form text entry field in the online application form. There is no specific character limit for this text entry field, however applicants are encouraged to be concise and brief in describing the project.

5.03 PROJECT VICINITY MAP

A map showing the project site is required. The map should clearly show the project site boundaries and the surrounding neighborhood. In addition, the vicinity map must clearly show all service enriched amenities for which the applicant is seeking points for project scoring. The map should include the project boundary and numbered location markers showing the location of each amenity being used as part of the project scoring points calculation. In the map legend, include the name of each amenity and its corresponding numbered location marker, as well as the distance from the project site to the amenity. In addition to the one-page map, the applicant shall provide a schedule for any transit amenities being claimed as part of the project scoring. The file size for the PDF is limited to 100 megabytes.

5.04 PROJECT PROFORMA

The Orange County Housing Finance Trust will provide all applicants with a blank project proforma in Excel for them to fill out and submit as part of their application. The project proforma must be submitted in an Excel format.

In the event that the project proforma does not show any repayment of the Trust's loan within the first fifteen years of project operation, a 55-year cashflow project will need to be included as part of the project proforma.

5.05 FINANCIAL NOTES AND ASSUMPTIONS

Provide a brief narrative regarding each of the expected funding sources and their expected timing and other details indicating likelihood of award.

The project's financial notes and assumptions will be submitted as a long-form text entry field in the online application form. There is no specific character limit for this text entry field, however applicants are encouraged to be concise and brief in detailing their financial assumptions. Any and all residual receipts assumptions must include the criteria listed in 2.10.5.

5.06 PROJECT SCHEDULE

Provide a project schedule that includes funding milestones (anticipated application and award dates for all other funding sources), anticipated construction loan closing date, construction duration, and anticipated placed in service date.

The project schedule will be accepted as a PDF. The file size for the PDF is limited to 10 megabytes.

5.07 DEVELOPMENT TEAM MEMBERS

Provide the name, address, contact person, telephone number, e-mail address, and resumes for members of the proposed project team. Include the developer principals and project manager, architect, civil engineer, contractor, and social services provider (if applicable).

The list of development team members and their resumes will be accepted as a PDF. Limit the resume of each team member to two pages each. Please exclude any marketing material from all team members. The file size for the PDF is limited to 100 megabytes.

5.08 APPLICANT EXPERIENCE

Provide a brief description of the applicant's experience developing the type of housing that is being proposed.

The applicant's experience will be submitted as a long-form text entry field in the online application form. There is no specific character limit for this text entry field, however applicants are encouraged to be concise and brief in detailing their experience.

5.09 APPLICANT FINANCIAL STRENGTH

Provide the most recent audited financial statements and a schedule of real estate owned. A template for the schedule of real estate owned is provided on the Orange County Housing Finance Trust's website at <https://ochft.org/2022-notice-of-funding-availability>, other formats that include similar information will be accepted.

The audited financial statements and schedule of real estate owned will be submitted as separate PDFs. The file size for each PDF is limited to 100 megabytes.

5.10 HEALTH CARE AGENCY ACKNOWLEDGEMENT LETTER

Applicants seeking MHSA funding for their project must submit the project to the Orange County Health Care Agency and meet with them prior to December 5th, 2022 to be considered for this NOFA.

The Health Care Agency requirements for submission are included as Attachment B. The Health Care Agency will provide the applicant with a letter of acknowledgement that they are working with the applicant to develop a Social Service Plan and that the project meets the requirements for MHSA funding.

The Health Care Agency Acknowledgement Letter will be uploaded as a PDF through the application form. The size of the PDF is limited to 10 megabytes.

5.11 SOCIAL SERVICES PLAN

All applications shall include a Social Services Plan demonstrating how social services appropriate to the needs of the residents will be provided. The Plan shall include provisions specified in Section 3.03 of this NOFA and provide a description of the proposed social services to be provided, including:

- Target Population
- Types of Services to be provided
- Agency which will provide the services and their experience
- Location of the services (on or off-site, and if off-site, where and provide travel plan for clients)
- Proposed source of funding for services
- Status of funding for services
- Any fees to be charged for services

The Social Services Plan should address all populations that will reside in the proposed project. The applicant and the Orange County Health Care Agency will work together to develop a Social Services Plan for MHSA units funded through this NOFA. That portion of the Social Services Plan does not need to be included in this NOFA application, as long as the Health Care Agency has provided an Acknowledgement Letter in accordance with 5.10, *Health Care Agency Acknowledgement Letter*Health Care Agency Acknowledgement Letter.

All applicants must identify a qualified service provider that will provide supportive services to the residents occupying units assisted under this NOFA. For MHSA units funded through this NOFA, the Orange County Health Care Agency shall be the service provider, and will develop the Social Services Plan for those units with the applicant. The applicant will be required to arrange for the provision of supportive services for the term of the assistance provided under this NOFA.

The social services plan will be uploaded as a PDF through the application form. The size of the PDF is limited to 100 megabytes.

5.12 SOCIAL SERVICES OPERATING BUDGET

If the applicant is proposing to fund services for the people experiencing homelessness through project revenues, or a funding source that is specific to the project, provide a budget for the social services. A budget is not required where services are proposed to be provided by third party agencies from existing revenue sources.

The social services operating budget will be uploaded as a PDF through the application form. The size of the PDF is limited to 10 megabytes.

5.13 LEVINE ACT STATEMENT

An authorized agent of the applicant must review and execute the Levine Act Statement (Attachment E).

The Levine Act Statement will be uploaded as a PDF through the application form. The size of the PDF is limited to 10 megabytes.

ATTACHMENT A LOAN DOCUMENT TEMPLATE

ATTACHMENT B OCHCA MHSA SUBMISSION REQUIREMENTS

**ATTACHMENT C MENTAL HEALTH SERVICES ACT (MHSA)
FUNDING TERM SHEET**

ATTACHMENT D UNDERWRITING ASSUMPTIONS

ATTACHMENT E ONLINE APPLICATION FORM REFERENCE

ATTACHMENT F LEVINE ACT STATEMENT

*****PRIME APPLICANT AND SUBAPPLICANTS MUST SUBMIT A SIGNED LEVINE ACT STATEMENT*****

California Government Code § 84308, commonly referred to as the “Levine Act,” precludes an officer of a local government agency from participating in the award of a contract if he or she receives any political contributions totaling more than \$250 in the 12 months preceding the pendency of the contract award, and for three months following the final decision, from the person or company awarded the contract. This prohibition applies to contributions to the officer or received by the officer on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee. The Levine Act also requires a member of the Orange County Housing Finance Trust Board of Directors who has received such a contribution to disclose the contribution on the record of the proceeding.

Orange County Housing Finance Trust Board of Directors as of the date of this Notice of Funding Availability are as follows:

Lisa Bartlett, Don Barnes, Doug Chaffee, Stephen Faessel, Jamey Federico, Shari Freidenrich, Fred Jung, David Peñaloza, and Ed Sachs.

1. Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any Orange County Housing Finance Trust Director in the 12 months preceding the date of the issuance of this Notice of Funding Availability?

_____ YES__NO

If yes, please identify the Director: _____

2. Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contributions of more than \$250 to any Orange County Housing Finance Trust Director in the three months following the award of the contract?

_____ YES__NO

If yes, please identify the Director: _____

Answering yes to either of the two questions above does not preclude Orange County Housing Finance Trust from awarding a contract to your firm. It does, however, preclude the identified Director from participating in the contract award process for this contract.

DATE

(SIGNATURE OF AUTHORIZED OFFICIAL)

(TYPE OR WRITE APPROPRIATE NAME, TITLE)

Orange | Housing
County | Finance
Trust

1 League #62335
Irvine, CA 92602

2022 SECOND ROUND
PERMANENT SUPPORTIVE AND
AFFORDABLE HOUSING
NOTICE OF FUNDING AVAILABILITY

DUE DATE: 5:00 P.M. - ~~MARCH 22~~ DECEMBER 16, 2022

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Section 1 INTRODUCTION

This Second Round 2022 Permanent Supportive and Affordable Housing Notice of Funding Availability (NOFA) announces the availability of ~~seventeen million, one hundred ninety-one thousand, two hundred and five~~ nine hundred ten dollars and ~~sixty cents~~ (\$10,591,910~~7,137,205.60~~) in Orange County Housing Finance Trust (OCHFT) (the “Trust”) funds to promote the new construction or acquisition/rehabilitation of Permanent Supportive and Affordable Housing for developments located in the cities of Irvine and Yorba Linda that serve Orange County’s extremely low-income households, and those experiencing homelessness by providing below market rate financing. Interested and qualified developers who can successfully demonstrate their ability to acquire, build or substantially rehabilitate, and operate Permanent Supportive and Affordable Housing are encouraged to submit proposals.

The Orange County Housing Finance Trust has been awarded \$7,137,205.60 by the California Department of Housing and Community Development through the 2022 Local Housing Trust Fund (LHTF) Program. However, this award can only be expended on developments located in the cities of Irvine and Yorba Linda, due to the fact that these two cities were the only cities in Orange County that had an adopted compliant housing element at the time the Trust submitted its 2022 application for the LHTF program.

The ~~initial~~ NOFA application deadline shall be approximately ~~50-25~~ days after the release of this NOFA. All applications submitted within the NOFA application period shall be reviewed by Trust staff to ensure compliance with all threshold requirements and shall be competitively scored. ~~Applications received after the NOFA application period will be considered if funding is still available from the initial round of applications.~~

~~The Trust is committed to serving the County’s needs for Permanent Supportive and Affordable Housing. Projects in each County Service Planning Area (North, Central, and South) shall compete only against other projects within their Service Planning Area, with the goal of each Service Planning Area receiving an equal amount of funding through this NOFA. If all the funds are not committed in each Service Planning Area, then any remaining funds shall be made available to the other Service Planning Areas if there is remaining demand for funds.~~

The sources of capital funds made available for this NOFA are the following:

- 1. County Mental Health Services Act\$4,841,910~~3,568,602.80~~
- ~~2. County General Fund\$1,000,000~~
- ~~3-2 State of California - Local Housing Trust Fund Program* \$4,750,000~~3,568,602.80
- TOTAL\$10,591,910~~7,137,205.60~~

~~*NOTE: The Trust will be applying for funding from the State of California Local Housing Trust Funds in 2022. These funds are contingent upon actual award from the State in the winter of 2022.~~

The Trust reserves the right to increase or decrease the amount in this NOFA at the direction of the Orange County Housing Finance Trust Board.

Section 2 PROGRAM DESCRIPTION

2.01 FUNDS AVAILABLE

Up to ~~ten-five~~ million, ~~five hundred ninety-one~~ seven million, one-hundred thirty-seven thousand, two hundred and five dollars and sixty cents (\$7,137,205.60) ~~thousand, nine hundred ten dollars (\$10,591,910)~~ is made available from Trust. Of that, ~~four-three~~ million, ~~five~~ seven-hundred sixty-eight ~~thousand, six hundred and two~~ dollars (\$4,750,000.3,568,602.80) is from the Local Housing Trust Fund (LHTF) Program, which requires a local match to receive. An equal amount will be available in Mental Health Services Act (MHSA) funds that can be used as a matching source for the LHTF Program. However, cities have the option (not required) to donate additional non-housing funds (i.e. land, Permanent Local Housing Allocation (PLHA), etc.) to be used in developments in their cities as additional matching funds to maximize the award of LHTF Program funds. ~~To maximize the Orange County Housing Finance Trust's award under this program, the Trust must award at least \$5 million from other funding sources. The only other funding sources available to the Trust are \$1 million from the County of Orange General Fund and over \$5.84 million in Mental Health Services Act (MHSA) funds.~~

Funding will be made available to projects with ~~and without~~ MHSA units. ~~Up to one million, nine hundred fifty thousand dollars (\$1,950,000) will be made available to projects without MHSA units. Up to eight million, six hundred forty one thousand, nine hundred ten dollars (\$8,641,910) will be made available for funding of projects that include MHSA units. However, Funds funds~~ originating from the LHTF program may be used for non-MHSA units within projects receiving MHSA funds through the Trust.

2.02 — FUNDING REALLOCATION

~~In the event that the Trust does not receive the maximum award from the LHTF Program for which it is eligible, the amount of funds available through this NOFA will be decreased. If the LHTF Program award is less than what is anticipated at the time of Trust Board approval of project funding, the Trust will reduce the funding of each project awarded funds by a proportional amount to the reduction in LHTF funding. The purpose of this even proportional reduction to all projects is to ensure that no single project, or subset of projects, receives the majority of the funding cut, and to ensure that all projects funded by the Trust remain viable. By applying for funding under this NOFA, Applicants agree and understand that the funding awards for projects funded with LHTF funding may be lower than initially awarded.~~

2.032.02 MENTAL HEALTH SERVICES ACT (MHSA) ALLOCATION

Projects seeking MHSA funds must be reviewed by the Orange County Health Care Agency. Applicants are encouraged to submit their projects to the Health Care Agency, as soon as possible, and must meet with the Health Care Agency no later than ~~March 8~~ December 5, 2022 to initiate the Health Care Agency's review process. More information regarding this requirement can be found in Section 5.10, *Health Care Agency Acknowledgement Letter*.

2.04 — SERVICE PLANNING AREA ALLOCATION

~~The County of Orange has divided the County into three County Service Planning Areas (SPAs), North, Central, and South. The Orange County Housing Finance Trust shall use the SPAs to ensure equal distribution of Trust loan money across the County. Each SPA will be allocated one third (1/3rd) of the funding available under this NOFA. In the event there are not enough eligible projects in~~

~~each SPA to use the full allocation, those funds may be allocated to fund other projects in other SPAs at the discretion of the Trust Board.~~

2.052.03 ELIGIBLE PROJECTS

Projects eligible under this NOFA must be located within ~~unincorporated County of Orange or within Trust member cities~~ the cities of Irvine and Yorba Linda (See Attachment A). ~~The only exception is for projects seeking only MHSA funding from this NOFA, which is required to be available county wide, including non-member cities.~~ Projects must include a minimum of five (5) MHSA units which are assisted under this NOFA and must provide permanent supportive or affordable housing restricted to persons or families who qualify as extremely low income. Proposals must include a plan and eventual funding for the provision of supportive services appropriate to the needs of the designated population, if supportive services are being proposed.

Applicants who are awarded LHTF funds through this NOFA must comply with the State of California Housing and Community Development (HCD) 2017 Uniform Multifamily Regulations (UMR). The 2017 UMR can be found on HCD's website at <https://hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations.shtml>.

2.062.04 ELIGIBLE APPLICANTS

Proposals will be accepted from non-profit and for-profit organizations, joint ventures, or partnerships that serve extremely low-income households, and those experiencing homelessness.

2.072.05 ELIGIBLE ACTIVITIES

Funds shall be used to develop permanent supportive or affordable rental housing through new construction, acquisition/rehabilitation and/or conversion of commercial and light industrial to residential use on a case-by-case basis.

2.082.06 ELIGIBLE COSTS

Under this NOFA, funds may be used for construction loan financing and/or permanent loan financing. To the extent that all sources of project funding has been secured and are a part of either the construction loan and/or the permanent loan the following costs are eligible: "hard" costs of construction or rehabilitation of housing, "soft" costs associated with acquisition, financing, and/or rehabilitation. "Soft" costs include marketing costs (not to exceed \$1,500 per unit), appraisals, architectural and engineering fees, individual apartment furnishings, certain common area furnishings (not to exceed \$1,000 per unit), building permit fees, credit reports, environmental assessments, impact fees, legal and accounting costs, private lender origination fees, recording fees, surety fees, and title insurance. An overall cost limitation of fourteen percent (14%) of the cost of construction shall apply to contractor overhead, profit, and general requirements, excluding contractor's general liability insurance. For purposes of contractor overhead and profit, the cost of construction includes site work, structures, prevailing wages, and general requirements. For purposes of general requirements, the cost of construction includes offsite improvements, demolition and site work, structures, and prevailing wages.

2.092.07 AFFORDABILITY COVENANT

Restricted units must remain affordable for the remaining life of the project, which shall be no less than fifty-five (55) years. A restrictive covenant will be recorded against the property to ensure

affordability during the term of the agreement. All projects shall be required to agree to maintain the project's affordability for the term of the restrictive covenant, regardless of whether the loan is fully repaid.

The annual reporting requirements will be outlined in the Regulatory Agreement. Projects receiving funds from the Trust shall report annually certifying that they are in compliance with the occupancy and affordability requirements of the Regulatory Agreement.

Program Compliance shall utilize a two-step monitoring process that provides for monitoring of all affordable housing developments financed with funds from the Trust. Monitoring of each development will occur in two phases: Phase 1: In-house review of annual reports, and Phase 2: Annual on-site monitoring visit, which shall include monitoring of tenant files in accordance with the affordability and income restrictions of the restrictive covenant and a Housing Quality Standards (HQS) inspection.

2.102.08 LOAN AWARD TERMS & CONDITIONS

Applicants shall agree to the Loan Award Terms and Conditions detailed in this section as part of any funding award. Failure to accept these Loan Award Term and Conditions will result in forfeiture of any funding award.

- 2.10.1 **Funding Timing:** Loan funds will be made available at the closing of the construction loan and/or closing of the permanent loan and is subject to the timing of HCD final approval of the ~~Loan-loan~~ documents. ~~However, no loan funds, or hard loan commitments, will be made available prior to the award of funds to the Trust through the LHTF Program.~~ The Trust **will not** bifurcate award funding in order to meet closing dates occurring before ~~additional funding is awarded through the LHTF Program~~ HCD's final approval of the loan documents.
- 2.10.2 **Interest Rate:** Loans will bear an interest rate of three percent (3%) simple interest. Interest will be calculated based on a 360-day year and the actual number of days elapsed. The Orange County Housing Finance Trust reserves the right to renegotiate this rate for the benefit of the Trust and the project.
- 2.10.3 **Term:** Loans will be for a term of fifty-five (55) years, from ~~the date of Certificate of Occupancy~~ end of the construction period and conversion to permanent financing, as defined in the loan documents.
- 2.10.4 **Loan Repayment:** The Trust loan will be repaid through residual receipts. An amount equal to fifty percent (50%) of Net Operating Income (as defined in Section 2.10.5, *Residual Receipts Loans*, below), if any, will be paid to the Trust and other public agencies (if any) providing residual receipts loans, and fifty percent (50%) to the developer. The 50% of cash flow payable to public agencies shall be shared by agencies in an amount proportional to the loan provided by such agencies. The value of non-loan contributions by other agencies (i.e. ground lease, project-based vouchers) shall not be considered as part of the loan value when calculating the Trust's share of the residual receipts split.
- 2.10.5 **Residual Receipts Loans:** The following is the definition of a residual

receipts loan, which will be used by the Trust to underwrite projects:

The loan for the project will be repaid from the Net Operating Income (NOI), if any, from the project as calculated ninety (90) days after the close of each fiscal year. NOI shall mean all of the rental revenue from the residential portion of the project (the "Annual Project Revenue") less (i) operating expenses of the project as approved by the Trust (the "Annual Operating Expenses") in an annual audit submitted by the developer and approved by the Trust; (ii) obligated debt service payments on the Project as approved by the Trust; (iii) scheduled deposits to reserves, as approved by the Trust; (iv) deferred developer fees, as approved by the Trust; and (v) partnership management or asset management fees as approved by the Trust.

Annual Project Revenue shall not include tenant security deposits, capital contributions, insurance or condemnation proceeds, income received for the purpose of completing the project, or funding received for the purpose of social services to the residents.

By applying to this NOFA, Applicant understands and agrees to the definitions stated above and must use these assumptions in the further underwriting of their project.

Exclusions to NOI: It is the policy of the Trust that the following costs, fees, charges, penalties, judgments and the like shall not be deducted from the Annual Project Revenue by the developer thereby reducing the amount of NOI available to pay the Trust's loan, including those arising out of: (i) a breach or default of the Trust's loan or any other mortgage loan on the project, (ii) the fraud, negligence or willful misconduct of developer, (iii) the failure to make timely payments under any loan secured by the project, (iv) the breach or default by developer under any other contract, lease or agreement pertaining to the project; and (v) any other cost, expense, fee or the like which is not first approved by the Trust. The approved Operating Expenses of the project shall also not include other expenses such as intra-partnership or other internal loans of the operating entity, depreciation, amortization, accrued principal and interest expense on the deferred payment debt and capital improvement expenditures unless approved by the Trust.

2.10.6 **Security:** The loan shall be evidenced by a promissory note and secured by a deed of trust.

2.10.7 **Subordination:** The Orange County Housing Finance Trust may, at its sole discretion, subordinate repayment, security positions, and affordability covenants to a conventional lender or other public agency lenders such as the State of California HCD, County of Orange, city loans, and CalHFA or AHP loans.

2.112.09 MAXIMUM LOAN AMOUNT/SUBSIDY LIMITS

The maximum loan/subsidy amounts shall be calculated on the basis of the number of units assisted by the Trust and shall vary by unit size. However, in no case shall the Trust’s investment in a single development exceed two-million five-hundred thousand dollars (\$2,500,000). This cap may be waived at the sole discretion of the Trust Board. Final award amounts shall be at the discretion of the Trust Board. The maximum unit subsidy limits are shown below:

Unit Size	Maximum Loan Amount	
	Non-MHSA Units	MHSA Units
0 Bedroom	\$ 90 <u>110</u> ,000	\$177,145
1 Bedroom	\$ 100 <u>125</u> ,000	\$177,145
2 Bedroom or larger	\$ 110 <u>135</u> ,000	\$177,145

Under no circumstances may a development exceed a total MHSA subsidy per unit regardless of sources of MHSA funds. In the event that a project has already been awarded the maximum loan amount per unit in MHSA funds, that project will not be eligible for additional MHSA funds from the Trust. If a project has received an award of MHSA funds less than the maximum loan amount per unit, the applicant may apply for additional MHSA funds to bring their total award up to the maximum loan amount per unit.

2.122.10 DEVELOPER FEE LIMIT

The maximum Developer Fee shall be the same as the maximum allowed under the State Tax Credit Allocation Committee regulations for those projects that have been or will be awarded Low-Income Housing Tax Credits, as adopted at the time this NOFA was issued. For projects not receiving Low-Income Housing Tax Credits, the maximum Developer Fee shall be the same as the maximum allowed under the State of California Housing and Community Development 2017 Uniform Multifamily Regulations.

2.132.11 NOFA SCHEDULE MILESTONES

The Orange County Housing Finance Trust is committed to helping Permanent Supportive and Affordable Housing units be occupied as quickly as possible. The Trust will strive to meet the following milestones:

1. NOFA Issuance – ~~February 8~~November 21, 2022
2. ~~NOFA Question & Answer Session for applicants – February 23, 2022 – 3:00-4:30pm~~
(a) Location: Zoom teleconference: Email acliason@ochft.org to request meeting invitation.
3. ~~2.~~Health Care Agency Meeting Deadline – ~~March 8~~December 5, 2022 (make sure to schedule this with the HCA at least one week prior to the deadline).
4. ~~3.~~Initial Applications Deadline – ~~March 22~~December 16, 2022, 5:00pm
5. ~~4.~~Initial Application Review Committee meeting ~~April~~December 2022
6. ~~5.~~Trust Board Meeting and approval of ~~initial~~-NOFA awards – ~~May 18~~January 18, 20222023

~~Applications accepted after the Initial Application Deadline will be considered on a first-come, first-served basis, if there is funding remaining after the Trust Board makes its initial NOFA awards. The Trust will evaluate and refer applications to the Trust Board for approval as quickly as practical. Any application submitted received after the Initial Application Deadline shall be submitted no less than four weeks prior to a Board meeting, to be considered for funding award at that the next Board meeting. The first Board meeting at which applications submitted after the Initial Application Deadline shall be considered will be held in July 2022. The Trust will close the online application form once all available funds have been allocated.~~

2-142.12 APPLICATION REVIEW COMMITTEE

After the close of the NOFA application period, the Orange County Housing Finance Trust will convene an Application Review Committee to review and score the applications. The Application review Committee may include:

- OCHFT's financial consultant
- County Health Care Agency Staff Member
- OCHFT Manager
- County of Orange Affordable Housing Development Manager
- Private sector representative with experience in homelessness

2-152.13 FORM OF LOAN DOCUMENTS

The Orange County Housing Finance Trust's standard loan document is included with this NOFA as Attachment ~~B~~A. These loan documents will be modified and negotiated on a project by project basis.

Section 3 THRESHOLD REQUIREMENTS

3.01 COORDINATED ENTRY SYSTEM

To be eligible to live in units assisted with Orange County Housing Finance Trust funding through this NOFA, each potential tenant must be referred by and go through the County of Orange Coordinated Entry System (a process developed to ensure that a fair and equal access to housing are quickly identified, assessed for, referred, and connected to housing and assistance based on their strengths and needs). Trust funded units shall not have additional residency restrictions placed on tenancy by local municipalities.

3.02 INCOME LIMITS

All units assisted with Orange County Housing Finance Trust funding through this NOFA will be required to be restricted to households whose income does not exceed Thirty Percent (30%) Area Median Income, as adjusted for household size with rents that are affordable to such households. Utility costs shall be deducted from the tenants rent so that rent and utilities combined remain at an affordable level. Projects receiving funding through the California Department of Housing and Community Development's (HCD's) Local Housing Trust Fund Program must meet the income limits as published by HCD (<https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2021.pdf>).

3.03 SUPPORTIVE SERVICES

MHSA units funded by the Trust shall include supportive services to ensure the maximum possible self-sufficiency by the tenants. Applicants must meet with the Orange County Health Care Agency prior to ~~March 8~~December 5th, 2022 to ensure the project meets all of the requirements for MHSA funding. Requirements for submission to the Health Care Agency can be found in Attachment ~~CB~~. See Attachment ~~DC~~ – Mental Health Services Act Funding Term Sheet for loan terms and conditions applicable to all MHSA funded units.

For projects not applying for MHSA funds through this NOFA, a Social Services Plan and budget is required to document anticipated services that will be provided for all other supportive and non-supportive units in the proposed project. This Social Services Plan shall identify a lead service provider and other service providers who will be working with residents. A list of services should be included for each population that will be served at the property.

3.04 RESERVES

Projects funded by the Trust shall include a Capitalized Operating Reserve. Projects that have project-based rental assistance, such as Project Based Section 8 or Veterans Affairs Supportive Housing (VASH) Vouchers, may forego the Capitalized Operating Reserve. The Capitalized Operating Reserve shall provide for the ongoing operation and maintenance of the project and the provision of required supportive services throughout the term of the of the loan agreement.

In addition to the Capitalized Operating Reserve, projects shall provide for a Replacement Reserve to cover replacement of capitalized cost items. ~~Projects not requesting MHSA funds through the Trust shall provide Replacement Reserve at no less than \$350/unit/year.~~ Projects requesting MHSA funds through the Trust shall provide Replacement Reserves at no less than \$500/unit/year, increasing 5% every five years.

3.05 COMPLIANCE MONITORING FEE

The Orange County Housing Finance Trust shall charge all projects an annual compliance monitoring fee of \$~~10395~~ per unit per year, increasing annually in accordance with the Consumer Price Index for Los Angeles – Anaheim – Riverside (All Urban Consumers – All Items) (CPI).

3.06 FINANCIAL COMMITMENTS

Projects must have all financing committed within 18 months of the Trust’s award letter or risk losing their project funding. The Trust reserves the right to extend this time limit at its sole discretion.

3.07 UNDERWRITING ASSUMPTIONS

The Orange County Housing Finance Trust has developed a set of underwriting assumptions to evaluate the financial feasibility of each project. These underwriting assumptions as based on the requirements of the Trust’s funding sources and industry best practices. The underwriting assumptions can be found in Attachment ~~E~~D. Applicants are encouraged to use these underwriting assumptions in their project proforma that will be submitted as part of their application to this NOFA. Further underwriting requirements are contained in the California Department of Housing and Community Development Uniform Multifamily Regulations located at <https://hcd.ca.gov/grants-funding/already-have-funding/uniform-multifamily-regulations.shtml>

Section 4 SCORING

Applications will be competitively scored and ranked ~~against other projects requesting the same type of funding and located within the same County Service Planning Area (SPA).~~ Scoring serves as a basis to compare applications but ultimately the decision to award funds is based upon the Trust Board approval.

Project scoring shall be based on the following categories:

1. Project readiness;
2. Developer experience; and,
3. Service enriched location.

Projects that have identical scores based on the project scoring will be ranked by a tie-breaker detailed below in Section 4.04, *Tiebreaker*.

4.01 PROJECT READINESS

Projects shall be scored on how quickly they will have units ready for occupancy. Projects will receive a maximum of 35 points for project readiness. For acquisition/rehab projects, projects will be deducted one point for each month past June 1, 2023 for its scheduled loan closing. For new construction projects, projects will be deducted one point for each month past December 1, 2023 for its scheduled loan closing.

4.02 DEVELOPER EXPERIENCE & FINANCIAL STRENGTH

A maximum of 40 points will be available for applicants based on their prior development experience and financial strength. One point will be awarded for every ten (10) units of Permanent Supportive and Affordable Housing that the applicant developed and currently operates. Discretionary scoring may adjust this number downward based upon the financial strength of the applicant.

4.03 SERVICE ENRICHED LOCATION

Projects will be awarded a maximum of 25 points based on proximity to nearby amenities. Distances must be measured using a standardized radius from the development site to the target amenity, unless that line crosses a significant physical barrier or barriers. Such barriers include highways, railroad tracks, regional parks, golf courses, or any other feature that significantly disrupts the pedestrian walking pattern between the development site and the amenity. The radius line may be struck from the corner of development site nearest the target amenity, to the nearest corner of the target amenity site. However, a radius line shall not be struck from the end of an entry drive or on-site access road that extends from the central portion of the site itself by 250 feet or more. Rather, the line shall be struck from the nearest corner of the site's central portion. Where an amenity such as a grocery store resides within a larger shopping complex or commercial strip, the radius line must be measured to the amenity exterior wall, rather than the site boundary. The resulting distance shall be reduced in such instances by 250 feet to account for close-in parking.

Amenity definitions and criteria mentioned below shall have the same definition as the California Tax Credit Allocation Committee Regulations in effect at the time this NOFA was issued.

<https://www.treasurer.ca.gov/ctcac/programreg/2022/20220720/2022-Regulations.pdf>~~<https://www.treasurer.ca.gov/ctcac/programreg/2021/20210616/2021-regulations->~~

[clean.pdf](#)

4.03.1 Grocery Store

Projects will be awarded 5 points if they are within 0.25 miles of a full-scale grocery store. Projects will be awarded 2 points if they are within 0.50 miles of a grocery store.

4.03.2 Medical Care

Projects will be awarded 5 points if they are within 0.5 miles of a hospital. Projects will be awarded 3 points if they are within 0.5 miles of an urgent care facility or qualifying medical clinic with a physician, physician's assistant, or nurse practitioner onsite for a minimum of 40 hours each week (not merely a private doctor's office). A qualifying medical clinic must accept Medi-Cal payments, or Medicare payments or have an equally comprehensive subsidy program for low-income patients.

4.03.3 Community Center

Projects will be awarded 5 points if they are within 0.5 miles of a public library or community center that is open at least 5 days a week to the general public.

4.03.4 Public Park

Projects will be awarded 5 points if they are within 0.5 miles of a public park.

4.03.5 Transit

Projects will be awarded 5 points if they are within 0.5 miles of a bus station, or bus stop that provides service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m., Monday through Friday. If frequency and hours cannot be met but the project is still within 0.5 miles, 3 points will be awarded.

4.04 DEVELOPMENT PIPELINE

Projects will be awarded 10 points if they are included on the Trust's Development Pipeline no later than ~~December~~ November 1, 20242022. New projects can be added to the Trust's Development Pipeline at any time on the Trust's website at <https://ochft.org/development-pipeline>. Applicants do not need to show evidence of project inclusion on the Trust's Development Pipeline as part of their application.

4.05 AFFIRMATIVELY FURTHERING FAIR HOUSING

Projects will be awarded 8 points if they are located in a High or Highest Resource area designated on the 2022 TCAC/HCD Opportunity Area Map (<https://belonging.berkeley.edu/2022-tcac-opportunity-map>).

4.054.06 TIE BREAKER

Projects receiving identical scores based on the project scoring will be ranked based on a tie breaker. The tie breaker is intended to determine the efficiency of each project's use of Trust funds. The tie breaker is a calculation of the requested Trust loan amount per unit in the project. (Total project request / total number of affordable units in the project = Trust dollars/unit.) The total number of affordable units in the project includes all affordable units, not limited to the number of units the applicant is requesting be funded through this NOFA. If a project includes multiple phases, the total number of affordable units in the project shall only include the number of units being proposed as part of the phase of the project that is being considered as part of the application to this NOFA.

Section 5 APPLICATION

This NOFA has an online application that is available at (<https://forms.gle/UXceq5oNkLaBkBch6>~~(<https://forms.gle/BY24DSFtkXYQkFr49>)~~). Applications must be submitted through this website no later than 5:00pm, ~~March 22~~December 16, 2022. All submissions will be automatically date and time stamped. The application will consist of several parts, which are described below.

The online application form cannot be saved as a work-in-progress, and can only be saved once fully complete. A copy of the entire application form is provided as Attachment ~~FE~~ to this NOFA.

5.01 GENERAL APPLICATION FORM

The General Application Form includes basic information about the project and the applicant. Project information will include project name, address, and type of project. Applicant information will include the applicant name, contact information, and the legal structure of the applicant.

5.02 PROJECT NARRATIVE

A narrative description of the project is required. The project narrative must include:

1. The purpose and the scope of the project.
2. Identify the neighborhood the project will serve.
3. Summarize the condition of the housing stock in the neighborhood.
4. Document neighborhood services (public transportation, schools, shopping, etc.)
5. Discuss the process and timing to receive entitlement approvals.

The project's narrative description will be submitted as a long-form text entry field in the online application form. There is no specific character limit for this text entry field, however applicants are encouraged to be concise and brief in describing the project.

5.03 PROJECT VICINITY MAP

A map showing the project site is required. The map should clearly show the project site boundaries and the surrounding neighborhood. In addition, the vicinity map must clearly show all service enriched amenities for which the applicant is seeking points for project scoring. The map should include the project boundary and numbered location markers showing the location of each amenity being used as part of the project scoring points calculation. In the map legend, include the name of each amenity and its corresponding numbered location marker, as well as the distance from the project site to the amenity. In addition to the one-page map, the applicant shall provide a schedule for any transit amenities being claimed as part of the project scoring. The file size for the PDF is limited to 100 megabytes.

5.04 PROJECT PROFORMA

The Orange County Housing Finance Trust will provide all applicants with a blank project proforma in Excel for them to fill out and submit as part of their application. The project proforma must be submitted in an Excel format.

In the event that the project proforma does not show any repayment of the Trust's loan within the first fifteen years of project operation, a 55-year cashflow project will need to be included as part of

[the project proforma.](#)

5.05 FINANCIAL NOTES AND ASSUMPTIONS

Provide a brief narrative regarding each of the expected funding sources and their expected timing and other details indicating likelihood of award.

The project's financial notes and assumptions will be submitted as a long-form text entry field in the online application form. There is no specific character limit for this text entry field, however applicants are encouraged to be concise and brief in detailing their financial assumptions. Any and all residual receipts assumptions must include the criteria listed in 2.10.5.

5.06 PROJECT SCHEDULE

Provide a project schedule that includes funding milestones (anticipated application and award dates for all other funding sources), anticipated construction loan closing date, construction duration, and anticipated placed in service date.

The project schedule will be accepted as a PDF. The file size for the PDF is limited to 10 megabytes.

5.07 DEVELOPMENT TEAM MEMBERS

Provide the name, address, contact person, telephone number, e-mail address, and resumes for members of the proposed project team. Include the developer principals and project manager, architect, civil engineer, contractor, and social services provider (if applicable).

The list of development team members and their resumes will be accepted as a PDF. Limit the resume of each team member to two pages each. Please exclude any marketing material from all team members. The file size for the PDF is limited to 100 megabytes.

5.08 APPLICANT EXPERIENCE

Provide a brief description of the applicant's experience developing the type of housing that is being proposed.

The applicant's experience will be submitted as a long-form text entry field in the online application form. There is no specific character limit for this text entry field, however applicants are encouraged to be concise and brief in detailing their experience.

5.09 APPLICANT FINANCIAL STRENGTH

Provide the most recent audited financial statements and a schedule of real estate owned. A template for the schedule of real estate owned is provided on the Orange County Housing Finance Trust's website at <https://ochft.org/2022-notice-of-funding-availability>, other formats that include similar information will be accepted.

The audited financial statements and schedule of real estate owned will be submitted as separate PDFs. The file size for each PDF is limited to 100 megabytes.

5.10 HEALTH CARE AGENCY ACKNOWLEDGEMENT LETTER

Applicants seeking MHSA funding for their project must submit the project to the Orange County

Health Care Agency and meet with them prior to ~~March 8~~ [December 5th](#), 2022 to be considered for this NOFA. The Health Care Agency requirements for submission are included as Attachment ~~C~~ [B](#). The Health Care Agency will provide the applicant with a letter of acknowledgement that they are working with the applicant to develop a Social Service Plan and that the project meets the requirements for MHSA funding.

The Health Care Agency Acknowledgement Letter will be uploaded as a PDF through the application form. The size of the PDF is limited to 10 megabytes.

5.11 SOCIAL SERVICES PLAN

All applications shall include a Social Services Plan demonstrating how social services appropriate to the needs of the residents will be provided. The Plan shall include provisions specified in Section 3.03 of this NOFA and provide a description of the proposed social services to be provided, including:

- Target Population
- Types of Services to be provided
- Agency which will provide the services and their experience
- Location of the services (on or off-site, and if off-site, where and provide travel plan for clients)
- Proposed source of funding for services
- Status of funding for services
- Any fees to be charged for services

The Social Services Plan should address all populations that will reside in the proposed project. The applicant and the Orange County Health Care Agency will work together to develop a Social Services Plan for MHSA units funded through this NOFA. That portion of the Social Services Plan does not need to be included in this NOFA application, as long as the Health Care Agency has provided an Acknowledgement Letter in accordance with 5.10, *Health Care Agency Acknowledgement Letter*.

All applicants must identify a qualified service provider that will provide supportive services to the residents occupying units assisted under this NOFA. For MHSA units funded through this NOFA, the Orange County Health Care Agency shall be the service provider, and will develop the Social Services Plan for those units with the applicant. The applicant will be required to arrange for the provision of supportive services for the term of the assistance provided under this NOFA.

The social services plan will be uploaded as a PDF through the application form. The size of the PDF is limited to 100 megabytes.

5.12 SOCIAL SERVICES OPERATING BUDGET

If the applicant is proposing to fund services for the people experiencing homelessness through project revenues, or a funding source that is specific to the project, provide a budget for the social services. A budget is not required where services are proposed to be provided by third party agencies from existing revenue sources.

The social services operating budget will be uploaded as a PDF through the application form. The size of the PDF is limited to 10 megabytes.

5.13 LEVINE ACT STATEMENT

An authorized agent of the applicant must review and execute the Levine Act Statement ([Attachment ~~GE~~](#)).

The Levine Act Statement will be uploaded as a PDF through the application form. The size of the PDF is limited to 10 megabytes.

ATTACHMENT A — LIST OF TRUST MEMBERS

1. ~~Aliso Viejo~~
2. ~~Anaheim~~
3. ~~Buena Park~~
4. ~~Costa Mesa~~
5. ~~County of Orange~~
6. ~~Dana Point~~
7. ~~Fountain Valley~~
8. ~~Fullerton~~
9. ~~Garden Grove~~
- ~~Huntington Beach~~
10. ~~Irvine~~
11. ~~Lake Forest~~
12. ~~Laguna Beach~~
13. ~~Laguna Hills~~
14. ~~Laguna Niguel~~
15. ~~La Habra~~
16. ~~Mission Viejo~~
17. ~~Newport Beach~~
18. ~~Orange~~
19. ~~Placentia~~
20. ~~San Juan Capistrano~~
- ~~Santa Ana~~
21. ~~Seal Beach~~
22. ~~Stanton~~
23. ~~Tustin~~
24. ~~Westminster~~

[Agenda Item 4](#)
[Attachment B](#)

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ATTACHMENT **AB** LOAN DOCUMENT TEMPLATE

[Agenda Item 4](#)
[Attachment B](#)

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ATTACHMENT **BC** OCHCA MHSA SUBMISSION REQUIREMENTS

[Agenda Item 4](#)
[Attachment B](#)

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**ATTACHMENT ~~DC~~ MENTAL HEALTH SERVICES ACT (MHSA)
FUNDING TERM SHEET**

[Agenda Item 4](#)
[Attachment B](#)

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ATTACHMENT ED UNDERWRITING ASSUMPTIONS

[Agenda Item 4](#)
[Attachment B](#)

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ATTACHMENT ~~FE~~ ONLINE APPLICATION FORM REFERENCE

ATTACHMENT ~~GF~~ LEVINE ACT STATEMENT

PRIME APPLICANT AND SUBAPPLICANTS MUST SUBMIT A SIGNED LEVINE ACT STATEMENT

California Government Code § 84308, commonly referred to as the “Levine Act,” precludes an officer of a local government agency from participating in the award of a contract if he or she receives any political contributions totaling more than \$250 in the 12 months preceding the pendency of the contract award, and for three months following the final decision, from the person or company awarded the contract. This prohibition applies to contributions to the officer or received by the officer on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee. The Levine Act also requires a member of the Orange County Housing Finance Trust Board of Directors who has received such a contribution to disclose the contribution on the record of the proceeding.

Orange County Housing Finance Trust Board of Directors as of the date of this Notice of Funding Availability are as follows:

Lisa Bartlett, Don Barnes, Doug Chaffee, Stephen Faessel, Jamey Federico, Shari Freidenrich, Fred Jung, David Peñaloza, and Ed Sachs.

1. Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any Orange County Housing Finance Trust Director in the 12 months preceding the date of the issuance of this Notice of Funding Availability?

_____ YES ___NO

If yes, please identify the Director: _____

2. Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contributions of more than \$250 to any Orange County Housing Finance Trust Director in the three months following the award of the contract?

_____ YES ___NO

If yes, please identify the Director: _____

Answering yes to either of the two questions above does not preclude Orange County Housing Finance Trust from awarding a contract to your firm. It does, however, preclude the identified Director from participating in the contract award process for this contract.

DATE

(SIGNATURE OF AUTHORIZED OFFICIAL)

(TYPE OR WRITE APPROPRIATE NAME, TITLE)

Agenda Item 5

Approve 3 year PSA with
CivicHome

REQUEST FOR ORANGE COUNTY HOUSING FINANCE TRUST (OCHFT) BOARD ACTION

MEETING DATE: November 16, 2022

SUBJECT: Approve a new three-year professional services agreement with CivicHome to provide management and administrative services to the Orange County Housing Finance Trust.

Isela Martinez, Procurement Manager, OC Community Resources

RECOMMENDED ACTION:

1. APPROVE A NEW THREE-YEAR PROFESSIONAL SERVICES AGREEMENT, BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2025, WITH CIVICHOME, TO PROVIDE TRUST MANAGEMENT SERVICES, IN THE AMOUNT NOT TO EXCEED \$260,000 PER YEAR AND AUTHORIZE CHAIR TO EXECUTE THE SAME.

BACKGROUND:

Sections 3(b)(2) and (b)(9) of the Orange County Housing Finance Trust (the "Trust") Joint Exercise of Powers Agreement authorizes the Trust "to contract for staff assistance" and "to engage in the services of private consultants to render professional and technical assistance and advice in carrying out the purposes of this Agreement." During the Trust's first year of operation, the County of Orange provided the various Trust formation, management and administrative services including hiring CivicStone, LLC (CivicStone) to lead the Trust's organizational and start up efforts. In July 2020, the Trust Board contracted with CivicStone to continue to provide ongoing management and administrative services needed for the Trust for an additional year. Subsequent to this action, the Board of Directors approved a contract with CivicStone to continue to provide management and administrative services for one year with a six-month extension. The current contract with CivicStone is set to expire December 31, 2022.

This Board approved the Orange County Housing Finance Trust Procurement Manual (the "Procurement Manual") in March 2022. The Procurement Manual designates the Trust Manager as the Chief Procurement Officer. The Procurement Manual further authorizes the Chief

Procurement Officer to procure services and at the best value in a manner consistent with legal requirements, good business practices and proper fiscal control. However, due the conflict-of-interest laws found under Government Code section 1090 and the Political Reform Act, and as incorporated in Section 9 of the Procurement Manual, the Trust Manager may not negotiate or procure for Trust Manager services. As the County provides administrative services to the Trust pursuant to a previously Board approved Memorandum of Understanding, County staff has taken the lead in creating and reviewing this staff item.

Acknowledging and applying Section 4.1 of the Procurement Manual, which states, that all local authority rests with the Trust Board of Directors unless it is delegated by statute or Board action, staff presented two options for consideration at its meeting on May 18, 2022. The options were as follows:

Option A: Six-month Extension and Sole Source Contract

Option No. B: Twelve Month Extension and Direct Staff to Issue Request for Proposal (RFP)

The Trust Board of Directors selected Option A and directed staff to return with a negotiated Sole Source contract for consideration with CivicStone for a three-year term in order to provide service continuity. In the interim, CivicStone, LLC reincorporated as CivicHome, but ownership remains exactly the same. County staff has worked with CivicHome to negotiate the contract which is before you today for consideration.

The financial terms of this agreement set forth hourly billing rates for CivicHome’s principal as well as sub-consultants with an annual not-to-exceed amount of \$260,000 per year for a total not-to-exceed three-year contract amount of \$780,000.00. The Agreement will allow the hourly rates to increase annually on January 1, 2024, and January 1, 2025, equal to an increase in the Consumer Price Index (CPI) by the Bureau of Labor Statistics of the U.S. Department of Labor. The annual amount of \$260,000 matches the current Trust Budget amount for administrative and management services in the 2022-2023 Budget and was based on current forecasted Trust business needs and programs.

Attachment A provides a clean copy of the Professional Services Agreement between the Trust and CivicHome. Attachment B provides a redline version of same.

ATTACHMENTS

Attachment A –Professional Services Agreement between the Trust and CivicHome – Clean

Attachment B –Professional Services Agreement between the Trust and CivicHome – Redline

**AGREEMENT BETWEEN
ORANGE COUNTY HOUSING FINANCE TRUST
AND CIVICHOME FOR CONSULTING SERVICES**

This Agreement for Consulting Services, (hereinafter referred to as “Contract”), is made and entered into as of the date fully executed by and between the Orange County Housing Finance Trust, a California public agency formed pursuant to California Government Code section 6500 et. seq., with a place of business at 1 League #62335, Irvine CA 92602; (hereinafter referred to as “OCHFT” or “Trust”), and CivicHome with a place of business at 1 League #62335, Irvine CA 92602; (hereinafter referred to as “Contractor”), with OCHFT and Contractor sometimes individually referred to as “Party” or collectively referred to as “Parties”.

ATTACHMENTS

This Contract is comprised of this document and the following Attachments, which are incorporated by reference into this Contract as if fully set forth:

Attachment A – Scope of Work
Attachment B – Compensation / Payment

RECITALS

WHEREAS, OCHFT desires to enter into a Contract with Contractor for Consulting Services, as more fully described in Attachment A – Scope of Work; and

WHEREAS, Contractor is willing to provide the services as specified in Attachment A, in accordance with the Terms and Conditions of this Contract; and

WHEREAS, OCHFT agrees to pay Contractor the fees as further set forth in Compensation / Payment, attached hereto as Attachment B and incorporated herein;

NOW, THEREFORE, the Parties mutually agree as follows:

ARTICLES

I. General Terms and Conditions:

- A. Governing Law and Venue:** This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for trial to another county.
- B. Entire Contract:** This Contract, when accepted by the Contractor either in writing or by the shipment of any article or other commencement of performance hereunder, contains the entire Contract between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on OCHFT unless authorized by OCHFT in writing. Electronic acceptance of any additional terms, conditions or supplemental Contracts by any OCHFT employee or agent, including but not limited to installers of software, shall not be valid or binding on OCHFT unless accepted in writing by OCHFT Chair or his/her designee, hereinafter “Purchasing Agent.”

- C. Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on OCHFT unless authorized by OCHFT in writing.
- D. Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax.
- E. Delivery:** Time of delivery of services is of the essence in this Contract. OCHFT reserves the right to refuse any services and to cancel all or any part of the services that do not conform to the prescribed statement of work. Delivery shall not be deemed to be complete until all services have actually been received and accepted in writing by OCHFT.
- F. Acceptance/Payment:** Unless otherwise agreed to in writing by the OCHFT, 1) acceptance shall not be deemed complete unless in writing and until all the services have actually been received to the satisfaction of OCHFT, and 2) payment shall be made in arrears after satisfactory acceptance and in accordance with Attachment B.
- G. Warranty:** Contractor expressly warrants that the goods/services covered by this Contract are fit for the particular purpose for which they are intended. Acceptance of this order shall constitute an agreement upon Contractor's part to indemnify, defend and hold OCHFT and its indemnitees as identified in paragraph "Z" below, and as more fully described in paragraph "Z", harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by OCHFT by reason of the failure of the services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. Patent/Copyright Materials/Proprietary Infringement:** Intentionally Omitted
- I. Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned or sub-contracted by Contractor without the express written consent of OCHFT. Any attempt by Contractor to assign or sub-contract the performance or any portion thereof of this Contract without the express written consent of OCHFT shall be invalid and shall constitute a breach of this Contract.
- J. Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to all the penalties pursuant to Section 1741 of the California Labor Code.
- K. Termination:** In addition to any other remedies or rights it may have by law, OCHFT has the right to terminate this Contract without penalty for cause or after thirty (30) days' written notice without cause, unless otherwise specified. Cause shall be defined as any breach of contract, any misrepresentation or fraud on the part of the Contractor. Exercise by OCHFT of its right to terminate the Contract shall relieve OCHFT of all further obligations.
- L. Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees nor anyone working under Contractor shall be considered an agent or an

employee of OCHFT. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through OCHFT.

N. Performance: Contractor shall warrant all work under this Contract, taking necessary steps and precautions to perform the work to OCHFT's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other services furnished by the Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workmanlike manner; shall furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of OCHFT required in its governmental capacity, in connection with performance of the work. If permitted to subcontract, Contractor shall be fully responsible for all work performed by subcontractors.

O. Insurance Provision: Prior to the provision of services under this Contract, the Contractor agrees to purchase all required insurance at Contractor's expense, including all endorsements required herein, necessary to satisfy the OCHFT that the insurance provisions of this Contract have been complied with. Contractor agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with the OCHFT during the entire term of this Contract. In addition, all subcontractors performing work on behalf of Contractor pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

Contractor shall ensure that all subcontractors performing work on behalf of Contractor pursuant to this Contract shall be covered under Contractor's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for Contractor. Contractor shall not allow subcontractors to work if subcontractors have less than the level of coverage required by OCHFT from Contractor under this Contract. It is the obligation of Contractor to provide notice of the insurance requirements to every subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by Contractor through the entirety of this Contract for inspection by OCHFT representative(s) at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any self-insured retention (SIR) in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by the OCHFT's Risk Manager, or designee, upon review of Contractor's current audited financial report. If Contractor's SIR is approved, Contractor, in addition to, and without limitation of, any other indemnity provision(s) in this Contract, agrees to all of the following:

- 1) In addition to the duty to indemnify and hold the OCHFT harmless against any and all liability, claim, demand or suit resulting from Contractor's, its agents, employee's or subcontractor's performance of this Contract, Contractor shall defend the OCHFT at its sole cost and expense with counsel approved by Board of Supervisors against same; and
- 2) Contractor's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
- 3) The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and the Contractor's SIR provision shall be interpreted as though the Contractor was an insurer and the OCHFT was the insured.

If the Contractor fails to maintain insurance acceptable to the OCHFT for the full term of this Contract, the OCHFT may terminate this Contract.

Qualified Insurer

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not

mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the Contractor shall provide the minimum limits and coverage as set forth below:

Coverage	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers Liability Insurance	\$1,000,000 per occurrence
Professional Liability Insurance	\$1,000,000 per claims-made \$1,000,000 aggregate

Required Coverage Forms

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

Required Endorsements

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

1. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the ***Orange County Housing Finance Trust its elected and appointed officials, officers, agents and employees*** as Additional Insureds, or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN CONTRACT.***
2. A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that the Contractor's insurance is primary and any insurance or self-insurance maintained by the OCHFT shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the ***Orange County Housing Finance Trust, its elected and appointed officials, officers, employees and agents,*** or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN CONTRACT.***

All insurance policies required by this Contract shall waive all rights of subrogation against the OCHFT, its elected and appointed officials, officers, employees and agents when acting within the scope of their appointment or employment.

Contractor shall notify OCHFT in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to OCHFT. Failure to

provide written notice of cancellation may constitute a material breach of the Contract, upon which the OCHFT may suspend or terminate this Contract.

If Contractor's Professional Liability is "Claims-Made" policy, Contractor shall agree to maintain coverage for two (2) years following the completion of the Contract.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to the agency/department address listed on this Contract.

If the Contractor fails to provide the insurance certificates and endorsements within seven (7) days of notification by CEO/Purchasing or the agency/department purchasing division, award may be made to the next qualified Offeror.

OCHFT expressly retains the right to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by OCHFT Risk Manager as appropriate to adequately protect OCHFT.

OCHFT shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable Certificates of Insurance and endorsements with OCHFT incorporating such changes within thirty (30) days of receipt of such notice, this Contract may be in breach without further notice to Contractor, and OCHFT shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

- P. Changes:** Contractor shall make no changes in the work or perform any additional work without the OCHFT's specific written approval.
- Q. Change of Ownership/Name, Litigation Status, Conflicts with OCHFT Interests:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, and the OCHFT agrees to an assignment of the Contract, the new owners shall be required under the terms of sale or other instruments of transfer to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of the OCHFT.

OCHFT reserves the right to immediately terminate the Contract in the event the OCHFT determines that the assignee is not qualified or is otherwise unacceptable to the OCHFT for the provision of services under the Contract.

In addition, Contractor has the duty to notify the OCHFT in writing of any change in the Contractor's status with respect to name changes that do not require an assignment of the Contract. The Contractor is also obligated to notify the OCHFT in writing if the Contractor becomes a party to any litigation against the OCHFT, or a party to litigation that may reasonably affect the Contractor's performance under the Contract, as well as any potential conflicts of interest between Contractor and OCHFT that may arise prior to or during the period of Contract performance. While Contractor will be required to provide this information without prompting from the OCHFT any time there is a change in Contractor's name, conflict of interest or litigation status, Contractor must also provide an update to the OCHFT of its status in these areas whenever requested by the OCHFT.

The Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with OCHFT interests. In addition to the Contractor, this obligation shall apply to the Contractor's employees, agents, and subcontractors associated with the provision of goods and services provided under this Contract. The Contractor's efforts shall include, but not be limited to establishing rules and procedures preventing its employees, agents, and subcontractors from providing or offering

gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence OCHFT staff or elected officers in the performance of their duties.

- R. Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Contractor gives written notice of the cause of the delay to OCHFT within thirty-six (36) hours of the start of the delay and Contractor avails himself of any available remedies.
- S. Confidentiality:** Contractor agrees to maintain the confidentiality of all OCHFT and OCHFT-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this Contract. All such records and information shall be considered confidential and kept confidential by Contractor and Contractor's staff, agents and employees.
- T. Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by OCHFT in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by OCHFT. Contractor acknowledges that OCHFT is relying on Contractor to ensure such compliance, and pursuant to the requirements of paragraph "Z" below, Contractor agrees that it shall defend, indemnify and hold OCHFT and OCHFT Indemnitees harmless from all liability, damages, costs, and expenses arising from or related to a violation of such laws.
- U. Freight (F.O.B. Destination):** Intentionally Omitted
- V. Severability:** If any term, covenant, condition, or provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- W. Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each party shall bear their own attorney's fees, costs and expenses.
- X. Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party has been represented by experienced and knowledgeable independent legal counsel of their own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that they have not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to affect the purpose of the parties and this Contract.
- Y. Employee Eligibility Verification:** The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. The Contractor shall obtain, from all employees, consultants and subcontractors performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employee, consultants and subcontractors for the period prescribed by the law. The Contractor shall indemnify, defend with counsel approved in writing by OCHFT, and hold harmless, the OCHFT, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the OCHFT or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

Z. Indemnification Provisions: Contractor agrees to indemnify, defend with counsel approved in writing by OCHFT, and hold OCHFT, its elected and appointed officials, officers, employees, agents and those special districts and agencies which OCHFT's Board Members acts as the governing Board ("OCHFT Indemnitees") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by Contractor pursuant to this Contract. If judgment is entered against Contractor and OCHFT by a court of competent jurisdiction because of the concurrent active negligence of OCHFT or OCHFT Indemnitees, Contractor and OCHFT agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

AA. Audits/Inspections: Contractor agrees to permit the OCHFT's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by the OCHFT) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the performance of the Contract including, but not limited to, the costs of administering the Contract. The OCHFT will provide reasonable notice of such an audit or inspection.

The OCHFT reserves the right to audit and verify the Contractor's records before final payment is made.

Contractor agrees to maintain such records for possible audit for a minimum of three years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Contractor agrees to allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor agrees to include a similar right to the OCHFT to audit records and interview staff of any subcontractor related to performance of this Contract.

Should the Contractor cease to exist as a legal entity, the Contractor's records pertaining to this agreement shall be forwarded to the surviving entity in a merger or acquisition or, in the event of liquidation, to the OCHFT Chair.

BB. Contingency of Funds: Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to OCHFT; and inclusion of sufficient funding for the services hereunder in the budget approved by OCHFT's Board Members for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, OCHFT may immediately terminate or modify this Contract without penalty.

CC. Expenditure Limit: The Contractor shall notify the OCHFT Chair in writing when the expenditures against the Contract reach 75 percent of the dollar limit on the Contract. The OCHFT will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless a change order to cover those costs has been issued.

II. Additional Terms and Conditions

1. Scope of Contract: This Contract specifies the contractual terms and conditions by which the OCHFT will procure consultant services from Contractor as further detailed in the Scope of Work, identified and incorporated herein by this reference as "Attachment A".

2. Term of Contract: This Contract shall commence on January 1, 2023, and continue for three calendar years from that date, unless otherwise terminated by either party.

3. Adjustments – Scope of Work: No adjustments made to the scope of work will be authorized without prior written approval of the OCHFT Board

4. **Breach of Contract:** The failure of the Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the OCHFT may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
 - i. Terminate the Contract immediately, pursuant to Section K herein;
 - ii. Afford the Contractor written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach;
 - iii. Discontinue payment to the Contactor for and during the period in which the Contractor is in breach; and
 - iv. Offset against any monies billed by the Contractor but yet unpaid by the OCHFT those monies disallowed pursuant to the above.
5. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.
6. **Conflict of Interest – Contractor’s Personnel:** The Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of the OCHFT. This obligation shall apply to the Contractor; the Contractor’s employees and agents, associated with accomplishing work and services hereunder. The Contractor’s efforts shall include, but not be limited to establishing precautions to prevent its employees or agents from making, receiving, providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to appear to influence individuals to act contrary to the best interests of the OCHFT.
7. **Conflict of Interest – OCHFT Personnel:** The OCHFT Board policy prohibits its employees from engaging in activities involving a conflict of interest. The Contractor shall not, during the period of this Contract, employ any OCHFT employee for any purpose.
8. **Contractor’s Expense:** The Contractor will be responsible for all costs related to individual/mobile telephone communications, and electronic communication, for the performance of work and services under this Contract. The OCHFT will not provide free parking for any service.
9. **Contractor’s Project Manager and Key Personnel:** Contractor shall appoint a Project Manager to direct the Contractor’s efforts in fulfilling Contractor’s obligations under this Contract. This Project Manager shall be subject to approval by the OCHFT and shall not be changed without the written consent of the OCHFT Chair, which consent shall not be unreasonably withheld.

The Contractor’s Project Manager shall be assigned to this project for the duration of the Contract and shall diligently pursue all work and services to meet the project time lines. The OCHFT Chair shall have the right to require the removal and replacement of the Contractor’s Project Manager from providing services to the OCHFT under this Contract. The OCHFT Chair shall notify the Contractor in writing of such action. The Contractor shall accomplish the removal within three (3) business days after written notice by the OCHFT Chair. The OCHFT Chair shall review and approve the appointment of the replacement for the Contractor’s Project Manager. The OCHFT is not required to provide any additional information, reason or rationale in the event it The OCHFT is not required to provide any additional information, reason or rationale in the event it requires the removal of Contractor’s Project Manager from providing further services under the Contract.
10. **Contractor’s Records:** The Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by the Contractor in accordance with generally accepted accounting principles. These records shall be stored in Orange County for a period of three (3) years after final payment is received from the OCHFT.

11. **Conditions Affecting Work:** The Contractor shall be responsible for taking all steps reasonably necessary to ascertain the nature and location of the work to be performed under this Contract and to know the general conditions which can affect the work or the cost thereof. Any failure by the Contractor to do so will not relieve Contractor from responsibility for successfully performing the work without additional cost to the OCHFT. The OCHFT assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this Contract, unless such understanding or representations by the OCHFT are expressly stated in the Contract.
12. **Data – Title To:** All materials, documents, data or information obtained from the OCHFT data files or any OCHFT medium furnished to the Contractor in the performance of this Contract will at all times remain the property of the OCHFT. Such data or information may not be used or copied for direct or indirect use by the Contractor after completion or termination of this Contract without the express written consent of the OCHFT. All materials, documents, data or information, including copies, must be returned to the OCHFT at the end of this Contract.
13. **Debarment:** Contractor certifies that neither Contractor nor its principles are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in the transaction by any Federal department or agency. Where Contractor as the recipient of federal funds, is unable to certify to any of the statements in the certification, Contractor must include an explanation with the bid/proposal. Debarment pending debarment, declared ineligibility or voluntary exclusion from participation by any Federal department of agency may result in the bid/proposal being deemed non-responsible.
14. **Errors and Omissions:** All reports, files and other documents prepared and submitted by Contractor shall be complete and shall be carefully checked by the professional(s) identified by Contractor as project manager and key personnel attached hereto, prior to submission to the OCHFT. Contractor agrees that OCHFT review is discretionary, and Contractor shall not assume that the OCHFT will discover errors and/or omissions. If the OCHFT discovers any errors or omissions prior to approving Contractor's reports, files and other written documents, the reports, files or documents will be returned to Contractor for correction. Should the OCHFT or others discover errors or omissions in the reports, files or other written documents submitted by the Contractor after OCHFT approval thereof, OCHFT approval of Contractor's reports, files or documents shall not be used as a defense by Contractor in any action between the OCHFT and Contractor, and the reports, files or documents will be returned to Contractor for correction.
15. **Gratuities:** The Contractor warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the OCHFT with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the OCHFT shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the OCHFT in procuring on the open market any goods or services which the Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of the OCHFT provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.
16. **News/Information Release:** The Contractor agrees that it will not issue any news releases in connection with either the award of this Contract or any subsequent amendment of or effort under this Contract without first obtaining review and written approval of said news releases from the OCHFT through the Chair.
17. **Notices:** Any and all notices, requests demands, and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing with a copy provided to the OCHFT Chair, except through the course of the parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on

the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

For Contractor: CivicHome
Attn: Adam Eliason
1 League #62335
Irvine, CA 92620

Email: aeliason@civichome.net
Phone: 909-706-7193

For OCHFT Orange County Housing Finance Trust
Attn: OCHFT Chair
1 League #62335
Irvine, CA 92620

18. **Ownership of Documents:** The OCHFT has permanent ownership of all directly connected and derivative materials produced under this contract by the contractor. All documents, reports and other incidental or derivative work or materials furnished hereunder shall become and remains the sole property of the OCHFT and may be used by the OCHFT as it may require without additional cost to the OCHFT. None of the documents, reports and other incidental or derivative work or furnished materials shall be used by the Contractor without the express written consent of the OCHFT.
19. **Precedence:** The Contract documents consist of this Contract and its exhibits and attachments. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, and then the attachments and exhibits.
20. **Reports/Meetings:** The Contractor shall develop reports and any other relevant documents necessary to complete the services and requirements as set forth in this Contract. The OCHFT Chair and the Contractor's Project Manager will meet on reasonable notice to discuss the Contractor's performance and progress under this Contract. If requested, the Contractor's Project Manager and other project personnel shall attend all meetings. The Contractor shall provide such information that is requested by the OCHFT for the purpose of monitoring progress under this Contract.
21. **Subcontracting:** Other than what is already provided in this Contract, no performance of this Contract or any portion thereof may be subcontracted by the Contractor without the express written consent of the OCHFT. Any attempt by the Contractor to subcontract any performance of this Contract without the express written consent of the OCHFT shall be invalid and shall constitute a breach of this Contract.

In the event that the Contractor is authorized by the OCHFT to subcontract, this Contract shall take precedence over the terms of the Contract between Contractor and subcontractor and shall incorporate by reference the terms of this Contract. The OCHFT shall look to the Contractor for performance and indemnification and not deal directly with any subcontractor. All work performed by a subcontractor must meet the approval of the OCHFT.
22. **Usage:** No guarantee is given by the OCHFT to the Contractor regarding usage of this Contract. Usage figures, if provided, are approximations. The Contractor agrees to supply services requested and/or commodities requested, as needed by the OCHFT, at rates/prices listed in the Contract, regardless of quantity requested.

23. **Taxpayer ID Number:** The Contractor shall include its taxpayer ID number on all invoices submitted to the OCHFT for payment to ensure compliance with IRS requirements and to expedite payment processing.
24. **Termination – Orderly:** After receipt of a termination notice from the OCHFT, the Contractor may submit to the OCHFT a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than 60 days from the effective date of the termination, unless one or more extensions in writing are granted by the OCHFT upon written request of the Contractor. Upon termination OCHFT agrees to pay the Contractor for all services performed prior to termination which meet the requirements of the Contract, provided, however, that such compensation combined with previously paid compensation shall not exceed the total compensation set forth in the Contract. Upon termination or other expiration of this Contract, each party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of performance of the Contract.
25. **Waivers – Contract:** The failure of the OCHFT in any one or more instances to insist upon strict performance of any of the terms of this Contract or to exercise any option contained herein shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms or option on any future occasion.

Signature Page

IN WITNESS WHEREOF, the Parties hereto certify that they have read and understand all the terms and conditions contained herein and have hereby caused this Contract to be executed.

CIVICHOME

By: _____

Name: Adam B. Eliason

Title: Principal

Dated: _____

*For Subrecipients that are corporations, signature requirements are as follows: 1) One signature by the Chairman of the Board, the President or any Vice President; and 2) One signature by the secretary, any Assistant secretary, the Chief Financial Officer or an Assistant Treasurer.

For Subrecipients that are not corporations, the person who has authority to bind the Subrecipient to a contract, must sign on one of the lines above.

ORANGE COUNTY HOUSING FINANCE TRUST

By: _____ Dated: _____

Stephen Faessel, Chair
Orange County Housing Finance Trust

**APPROVED AS TO FORM
TRUST COUNSEL**

By: _____ Dated: _____

TRUST COUNSEL

ATTACHMENT A
SCOPE OF WORK

I. BACKGROUND

In its efforts to address affordable housing and homelessness, the Orange County Board of Supervisors (“Board”) co-sponsored Assembly Bill 448, which authorizes the County and cities in Orange County to create the Orange County Housing Finance Trust (OCHFT). OCHFT will provide and receive funds for housing for those experiencing homelessness and those who are of extremely low, very low and low income within Orange County.

On March 12, 2019, the Board approved the OCHFT Joint Powers Agreement (JPA). The management and administrative support services provided by Contractor in this Contract will continue to implement the Board’s leadership related to the passage of Assembly Bill 448, the JPA, Bylaws, and the future 5-year Strategic Plan.

The County of Orange, OC Community Resource’s Housing Funding Strategy set an initial goal of 2,700 new supportive housing units and affordable housing units within six years. Since its inception, OCHFT has created Permanent Supportive Housing (PSH) mapping tool to track this goal.

II. OBJECTIVES

To continue the OCHFT regional collaborative effort for affordable housing, to work with key stakeholders dedicated to improving the humanity and quality of life throughout the communities in Orange County, and continue to align with the State goals to deploy funding to finance the development of more affordable and supportive housing.

III. SCOPE OF SERVICES

Contractor shall perform management and administrative support services described in this Contract to support OCHFT on an as-needed basis. Due to varying degree and complexities to fulfill the service requirements of this Contract, the actual scope of services including tasks, deliverables, project timeline/schedule and fees will require mutual approval from Parties in accordance with the Service Request Procedures identified in this Contract. Those services that are funded with Regional Early Action Planning (REAP) grant funds are indicated below. Contractor services shall include, but are not limited to, the following:

1. Review, edit, and manage annual Trust Notice of Funding Availability (NOFA) process.
2. Review and prepare Trust loan documents and closings.
3. Coordinate with Trust Advocacy/Lobbyist and meet with state and federal legislative officials and staff to provide Trust updates and secure additional funding.
4. Review, research, and apply for funding and explore new funding sources and programs in line with the mission and vision of the Trust.
5. Manage approved funding disbursements and required compliance monitoring of both capital and administrative grants.
6. Meet with the Trust Advisory Board on a quarterly basis.
7. Manage and explore Trust tax-exempt donations to fund more affordable and supportive housing.

8. Update the Trust 5 Year Strategic Plan.
9. Work closely with Auditor/Controller on the management of the Trust Budget.
10. Prepare and/or coordinate all items for Trust Board meetings including the coordination with various County Memorandum of Understanding (MOU) Departments such as OCCR Staff, County Counsel and Clerk of the Board.
11. Prepare and coordinate all competitive bidding proposals for consultant/professional services and recommendations to the Trust Board (e.g., financial, auditing, marketing, advocacy, insurance).
12. Establish policies and procedures for the Trust including various compliance monitoring Trust funded projects.
13. Manage and update the Trust website and strategic communications and public relations.
14. Represent the Trust at city council meetings, housing forums, seminars, workshops, committee meetings, various regional and stakeholder meetings to provide Trust updates, collaborate and explore solutions to the housing crisis in Orange County.
15. Implement the strategy to retain and increase Trust membership throughout Orange County.
16. Other duties and assignments as may be deemed necessary and requested by the OCHFT Board and/or through the OCHFT Chair.

IV. SERVICE REQUEST PROCEDURES

The OCHFT Chair or Trust Board shall have the right to request all services and work provided for under this Contract. Contractor shall timely perform all such requested services and work as requested. All request for services shall require review and/or approval from the OCHFT Chair or designee.

A. Contractor Responsibilities

1. Contractor shall be required to submit a written quote to the OCHFT Chair with detailed tasks, deliverables, timeline, and not to exceed hours binding the Contractor for all work in response to a request for services.
2. Contractor shall discuss all required services to be performed with the OCHFT Chair or key designated personnel prior to the start of work.
3. Contractor shall perform all the necessary work in a professional manner and notify the OCHFT Chair or designee upon project completion.

B. Change Management

1. No changes to an approved request for services (tasks, deliverables, timeline, and not to exceed hours, etc.) shall be permitted without a change request in writing submitted by the Contractor and approved in writing by the OCHFT Board.

C. Communication Management

1. All communication for any work performed in this Contract will be directed to the Trust Board through the OCHFT Chair.

V. OCHFT RESPONSIBILITIES

1. The Trust Board, through its OCHFT Chair or Trust’s designee, shall assign, review, and approve all Contractor services provided in this Contract.
2. OCHFT will provide meeting facilities, as needed.

VI. SUBCONTRACTORS

In accordance with Article I, Assignment, the following subcontractor(s) shall assist Contractor to provide services on this Contract.

NAME	Project Function
Grant Henninger	Housing Development Manager
John Trauth	Sub-Consultant for Strategic Plan
(TBD)	Project, Budget, and Grant Funding Compliance Monitor

Assignment of additional key personnel shall be subject to OCHFT approval. OCHFT reserves the right to have any of Contractor personnel removed from providing services to OCHFT under this Contract. OCHFT is not required to provide any reason for the request for removal of any Contractor personnel.

ATTACHMENT B
COMPENSATION / PAYMENT

- I. COMPENSATION:** This is a fixed-fee Contract between the OCHFT and the Contractor for Consulting Services as set forth in Attachment A – Scope of Work. The annual Contract amount shall not exceed **\$260,000** per year for a total not-to-exceed Contract amount of **\$780,000.00** for the services provided in Attachment A, Scope of Work. **Excluded from this fixed fee is time spent locating responsive records and responding record requests under the California Public Records Act. Such requests shall be billed at a rate of \$88.00 per hour. Contractor shall seek to subcontract pursuant to Section 21 of this Contract to reduce the costs associated with California Public Records Act requests.**

The Contractor agrees to accept the specified compensation as set forth in this Contract as full remuneration for performing all services and furnishing all staffing labor, insurance requirements and taxes required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by the Contractor of all its duties and obligations hereunder. The Contractor shall only be compensated as set forth herein below for work performed in accordance with the Scope of Work. The OCHFT shall have no obligation to pay any sum in excess of the fixed rates specified herein unless authorized by amendment in accordance with Article C of this Contract.

- II. CONTRACTOR FEES:** OCHFT shall pay Contractor at the fixed hourly rate specified herein, based on the number of actual hours expended by Contractor to complete the services in this Contract; provided, however, that the total of such payments, including reimbursable expenses, shall not exceed the total Contract amount.

Hourly Rate:

STAFF NAME TITLE	RATE PER HOUR
Adam Eliason Principal	\$190.00
John Trauth Sub Consultant	\$190.00
Grant Henninger Housing Development Manager	\$168.00
(TBD) Project, Budget, and Grant Funding Compliance Monitor	\$88.00

Rate Per Hour will be increased annually on January 1, 2024, and January 1, 2025, equal to an increase in the Consumer Price Index (CPI) for All Urban Consumers (CPI-U), Los Angeles-Long Beach-Anaheim (1982-84=100 unless otherwise noted), All Items promulgated by the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor, or replacement index published thereto.

BLS website: https://www.bls.gov/regions/west/news-release/consumerpriceindex_losangeles.htm

- III. FIRM DISCOUNT AND PRICING STRUCTURE:** Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope.

- IV. CONTRACTOR’S EXPENSE:** Contractor shall furnish all materials, supplies, computer equipment, and labor to provide the requested services in this Contract.

Contractor will be responsible for all costs related to individual/mobile telephone communications, travel within Orange County, parking, and any and all “out of pocket” expenses incurred by the

Contractor while on OCHFT sites during the performance of work and services under this Contract, unless otherwise specified. The Contractor shall be responsible for payment of all parking costs and expenses incurred at an OCHFT facility while performing work under this Contract, except to the extent the OCHFT facility has free parking available to the public and the Contractor makes appropriate use of this free parking. However, the OCHFT will not provide free parking to the Contractor.

Contractor's travel expenses conducted outside of Orange County for airfare, mileage reimbursement at IRS standard for own car, lodging, car rental/ride share, car rental gas, toll expenses, airport parking fees, and conference/meeting fees will be paid on a reimbursement basis with receipts attached to monthly invoice. Office expenses such as messenger services, copy service, notary, overnight shipping/express mail costs, will be paid on a reimbursement basis with receipts attached to monthly invoice.

Travel outside of Orange County shall not be reimbursed without prior authorization from Trust Board or OCHFT Chair. Authorization must be done in writing. Written authorization may be in a form including email confirmation.

- V. **PAYMENT TERMS:** Invoices are submitted monthly in arrears for services rendered. The invoice(s) shall be submitted to the user agency/department to the bill-to address, unless otherwise directed in this Contract. The Contractor shall reference the Contract number on invoice. Payment will be net 30 days after receipt of an invoice in a format acceptable to the OCHFT and verified and approved by the agency/department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the Contractor.

Billing shall cover services not previously invoiced. The Contractor shall reimburse the OCHFT for any monies paid to the Contractor for services not provided or when services do not meet the Contract requirements.

Payments made by the OCHFT shall not preclude the right of the OCHFT from thereafter disputing any services involved or billed under this Contract and shall not be construed as acceptance of any part of the services.

- VI. **INVOICE/PAYMENT INSTRUCTIONS:** The Contractor will provide an invoice on the Contractor's letterhead for services rendered. Each invoice will have a number and will include the following information:

1. Contractor's name and address
2. Contractor's remittance address
3. Contractor's Taxpayer ID number
4. Name of Trust – **OC Housing Finance Trust**
5. Contract Number, if any
6. Dates services rendered
7. Service description.
8. Date specific and total time and billable cost.

Invoices and supporting documentation are to be sent to:

Orange County Housing Finance Trust
Attn: OCCR Accounting Office
601 N. Ross, 6th Floor
Santa Ana, CA 92701

Invoices must be approved by OCHFT Board Chair. Incomplete or incorrect invoices are not acceptable and will be returned to the Contractor for correction.

- VII. PAYMENT (ELECTRONIC FUNDS TRANSFER [EFT]):** The OCHFT offers Contractors the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive an Electronic Remittance Advice with the payment details via e-mail. An e-mail address will need to be provided to the OCHFT via an EFT Authorization Form. To request a form, please contact the agency/department DPA listed in the Contract. Upon completion of the form, please mail, or email to the address or phone listed on the form.
- VIII. TAX ID NUMBER:** The Contractor shall include its taxpayer ID number on all invoices submitted to the OCHFT for payment to ensure compliance with IRS requirements and to expedite payment processing

**AGREEMENT BETWEEN
ORANGE COUNTY HOUSING FINANCE TRUST
AND CIVIC HOMESTONE, LLC FOR CONSULTING SERVICES**

This Agreement for Consulting Services, (hereinafter referred to as “Contract”), is made and entered into as of the date fully executed by and between the Orange County Housing Finance Trust, a California public agency formed pursuant to California Government Code section 6500 et. seq., with a place of business at 1 League #62335, Irvine CA 92602; (hereinafter referred to as “OCHFT” or “Trust”), and Civic HomeStoneLLC, with a place of business at 1 League #62335, Irvine CA 92602; (hereinafter referred to as “Contractor”), with OCHFT and Contractor sometimes individually referred to as “Party” or collectively referred to as “Parties”.

ATTACHMENTS

This Contract is comprised of this document and the following Attachments, which are incorporated by reference into this Contract as if fully set forth:

Attachment A – Scope of Work
Attachment B – Compensation / Payment

RECITALS

WHEREAS, OCHFT desires to enter into a Contract with Contractor for Consulting Services, as more fully described in Attachment A – Scope of Work; and

WHEREAS, Contractor is willing to provide the services as specified in Attachment A, in accordance with the Terms and Conditions of this Contract; and

WHEREAS, OCHFT agrees to pay Contractor the fees as further set forth in Compensation / Payment, attached hereto as Attachment B and incorporated herein;

NOW, THEREFORE, the Parties mutually agree as follows:

ARTICLES

I. General Terms and Conditions:

- A. Governing Law and Venue:** This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for trial to another county.
- B. Entire Contract:** This Contract, when accepted by the Contractor either in writing or by the shipment of any article or other commencement of performance hereunder, contains the entire Contract between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on OCHFT unless authorized by OCHFT in writing. Electronic acceptance of any additional terms, conditions or supplemental Contracts by any OCHFT employee or agent, including but not limited to installers of software, shall not be valid or binding on

OCHFT unless accepted in writing by OCHFT ~~Chair's Purchasing Agent~~ or his/her designee, hereinafter "Purchasing Agent."

- C. **Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on OCHFT unless authorized in accordance with Attachment A – Scope of Work – Section IV Service Request Procedures by OCHFT in writing.
- D. **Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax.
- E. **Delivery:** Time of delivery of services is of the essence in this Contract. OCHFT reserves the right to refuse any services and to cancel all or any part of the services that do not conform to the prescribed statement of work. Delivery shall not be deemed to be complete until all services have actually been received and accepted in writing by OCHFT.
- F. **Acceptance/Payment:** Unless otherwise agreed to in writing by the OCHFT, 1) acceptance shall not be deemed complete unless in writing and until all the services have actually been received to the satisfaction of OCHFT, and 2) payment shall be made in arrears after satisfactory acceptance and in accordance with Attachment B.
- G. **Warranty:** Contractor expressly warrants that the goods/services covered by this Contract are fit for the particular purpose for which they are intended. Acceptance of this order shall constitute an agreement upon Contractor's part to indemnify, defend and hold OCHFT and its indemnities as identified in paragraph "Z" below, and as more fully described in paragraph "Z", harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by OCHFT by reason of the failure of the services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. **Patent/Copyright Materials/Proprietary Infringement:** Intentionally Omitted
- I. **Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned or sub-contracted by Contractor without the express written consent of OCHFT. Any attempt by Contractor to assign or sub-contract the performance or any portion thereof of this Contract without the express written consent of OCHFT shall be invalid and shall constitute a breach of this Contract.
- J. **Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to all the penalties pursuant to Section 1741 of the California Labor Code.
- K. **Termination:** In addition to any other remedies or rights it may have by law, OCHFT has the right to terminate this Contract without penalty for cause or after thirty (30) days' written notice without cause, unless otherwise specified. Cause shall be defined as any breach of contract, any misrepresentation or fraud on the part of the Contractor. Exercise by OCHFT of its right to terminate the Contract shall relieve OCHFT of all further obligations.
- L. **Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express

or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.

- M. Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees nor anyone working under Contractor shall be considered an agent or an employee of OCHFT. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through OCHFT.
- N. Performance:** Contractor shall warrant all work under this Contract, taking necessary steps and precautions to perform the work to OCHFT's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other services furnished by the Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workmanlike manner; shall furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of OCHFT required in its governmental capacity, in connection with performance of the work. If permitted to subcontract, Contractor shall be fully responsible for all work performed by subcontractors.
- O. Insurance Provision:** Prior to the provision of services under this Contract, the Contractor agrees to purchase all required insurance at Contractor's expense, including all endorsements required herein, necessary to satisfy the OCHFT that the insurance provisions of this Contract have been complied with. Contractor agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with the OCHFT during the entire term of this Contract. In addition, all subcontractors performing work on behalf of Contractor pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

Contractor shall ensure that all subcontractors performing work on behalf of Contractor pursuant to this Contract shall be covered under Contractor's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for Contractor. Contractor shall not allow subcontractors to work if subcontractors have less than the level of coverage required by OCHFT from Contractor under this Contract. It is the obligation of Contractor to provide notice of the insurance requirements to every subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by Contractor through the entirety of this Contract for inspection by OCHFT representative(s) at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any self-insured retention (SIR) in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by the OCHFT's Risk Manager, or designee, upon review of Contractor's current audited financial report. If Contractor's SIR is approved, Contractor, in addition to, and without limitation of, any other indemnity provision(s) in this Contract, agrees to all of the following:

- 1) In addition to the duty to indemnify and hold the OCHFT harmless against any and all liability, claim, demand or suit resulting from Contractor's, its agents, employee's or subcontractor's performance of this Contract, Contractor shall defend the OCHFT at its sole cost and expense with counsel approved by Board of Supervisors against same; and
- 2) Contractor's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
- 3) The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and the Contractor's SIR provision shall be interpreted as though the Contractor was an insurer and the OCHFT was the insured.

If the Contractor fails to maintain insurance acceptable to the OCHFT for the full term of this Contract, the OCHFT may terminate this Contract.

Qualified Insurer

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the Contractor shall provide the minimum limits and coverage as set forth below:

Coverage	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers Liability Insurance	\$1,000,000 per occurrence
Professional Liability Insurance	\$1,000,000 per claims-made \$1,000,000 aggregate

Required Coverage Forms

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

Required Endorsements

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

1. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the **Orange County Housing Finance Trust its elected and appointed officials, officers, agents and employees** as Additional Insureds, or provide blanket coverage, which will state **AS REQUIRED BY WRITTEN CONTRACT**.
2. A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that the Contractor's insurance is primary and any insurance or self-insurance maintained by the OCHFT shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the **Orange County Housing Finance Trust, its elected and appointed officials, officers, employees and agents**, or provide blanket coverage, which will state **AS REQUIRED BY WRITTEN CONTRACT**.

All insurance policies required by this Contract shall waive all rights of subrogation against the OCHFT, its elected and appointed officials, officers, employees and agents when acting within the scope of their appointment or employment.

Contractor shall notify OCHFT in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to OCHFT. Failure to provide written notice of cancellation may constitute a material breach of the Contract, upon which the OCHFT may suspend or terminate this Contract.

If Contractor's Professional Liability is "Claims-Made" policy, Contractor shall agree to maintain coverage for two (2) years following the completion of the Contract.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to the agency/department address listed on this Contract.

If the Contractor fails to provide the insurance certificates and endorsements within seven (7) days of notification by CEO/Purchasing or the agency/department purchasing division, award may be made to the next qualified Offeror.

OCHFT expressly retains the right to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by OCHFT Risk Manager as appropriate to adequately protect OCHFT.

OCHFT shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable Certificates of Insurance and endorsements with OCHFT incorporating such changes within thirty (30) days of receipt of such notice, this Contract may be in breach without further notice to Contractor, and OCHFT shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

P. Changes: Contractor shall make no changes in the work or perform any additional work without the OCHFT's specific written approval.

Q. Change of Ownership/Name, Litigation Status, Conflicts with OCHFT Interests: Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, and the OCHFT agrees to an assignment of the Contract, the new owners shall be required under the terms of sale or other instruments of transfer to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of the OCHFT.

OCHFT reserves the right to immediately terminate the Contract in the event the OCHFT determines that the assignee is not qualified or is otherwise unacceptable to the OCHFT for the provision of services under the Contract.

In addition, Contractor has the duty to notify the OCHFT in writing of any change in the Contractor's status with respect to name changes that do not require an assignment of the Contract. The Contractor is also obligated to notify the OCHFT in writing if the Contractor becomes a party to any litigation against the OCHFT, or a party to litigation that may reasonably affect the Contractor's performance under the Contract, as well as any potential conflicts of interest between Contractor and OCHFT that may arise prior to or during the period of Contract performance. While Contractor will be required to provide this information without prompting from the OCHFT any time there is a change in Contractor's name, conflict of interest or litigation status, Contractor must also provide an update to the OCHFT of its status in these areas whenever requested by the OCHFT.

The Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with OCHFT interests. In addition to the Contractor, this obligation shall apply to the Contractor's employees, agents, and subcontractors associated with the provision of goods and services provided under this Contract. The Contractor's efforts shall include, but not be limited to establishing

rules and procedures preventing its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence OCHFT staff or elected officers in the performance of their duties.

- R. Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Contractor gives written notice of the cause of the delay to OCHFT within thirty-six (36) hours of the start of the delay and Contractor avails himself of any available remedies.
- S. Confidentiality:** Contractor agrees to maintain the confidentiality of all OCHFT and OCHFT-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this Contract. All such records and information shall be considered confidential and kept confidential by Contractor and Contractor's staff, agents and employees.
- T. Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by OCHFT in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by OCHFT. Contractor acknowledges that OCHFT is relying on Contractor to ensure such compliance, and pursuant to the requirements of paragraph "Z" below, Contractor agrees that it shall defend, indemnify and hold OCHFT and OCHFT Indemnitees harmless from all liability, damages, costs, and expenses arising from or related to a violation of such laws.
- U. Freight (F.O.B. Destination):** Intentionally Omitted
- V. Severability:** If any term, covenant, condition, or provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- W. Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each party shall bear their own attorney's fees, costs and expenses.
- X. Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party has been represented by experienced and knowledgeable independent legal counsel of their own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that they have not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to affect the purpose of the parties and this Contract.
- Y. Employee Eligibility Verification:** The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. The Contractor shall obtain, from all employees, consultants and subcontractors performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employee, consultants and subcontractors for the period prescribed by the law. The Contractor shall indemnify, defend with counsel approved in writing by OCHFT, and hold harmless, the OCHFT, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the OCHFT

or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

Z. Indemnification Provisions: Contractor agrees to indemnify, defend with counsel approved in writing by OCHFT, and hold OCHFT, its elected and appointed officials, officers, employees, agents and those special districts and agencies which OCHFT's Board Members acts as the governing Board ("OCHFT Indemnitees") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by Contractor pursuant to this Contract. If judgment is entered against Contractor and OCHFT by a court of competent jurisdiction because of the concurrent active negligence of OCHFT or OCHFT Indemnitees, Contractor and OCHFT agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

AA. Audits/Inspections: Contractor agrees to permit the OCHFT's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by the OCHFT) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the performance of the Contract including, but not limited to, the costs of administering the Contract. The OCHFT will provide reasonable notice of such an audit or inspection.

The OCHFT reserves the right to audit and verify the Contractor's records before final payment is made.

Contractor agrees to maintain such records for possible audit for a minimum of three years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Contractor agrees to allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor agrees to include a similar right to the OCHFT to audit records and interview staff of any subcontractor related to performance of this Contract.

Should the Contractor cease to exist as a legal entity, the Contractor's records pertaining to this agreement shall be forwarded to the surviving entity in a merger or acquisition or, in the event of liquidation, to the OCHFT Chair.

BB. Contingency of Funds: Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to OCHFT; and inclusion of sufficient funding for the services hereunder in the budget approved by OCHFT's Board Members for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, OCHFT may immediately terminate or modify this Contract without penalty.

CC. Expenditure Limit: The Contractor shall notify the OCHFT Chair in writing when the expenditures against the Contract reach 75 percent of the dollar limit on the Contract. The OCHFT will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless a change order to cover those costs has been issued.

II. Additional Terms and Conditions

1. Scope of Contract: This Contract specifies the contractual terms and conditions by which the OCHFT will procure consultant services from Contractor as further detailed in the Scope of Work, identified and incorporated herein by this reference as "Attachment A".

2. Term of Contract: This Contract shall commence on ~~January 1, 2023~~ ~~July 1, 2021~~ or upon execution of all necessary signatures by Parties, whichever comes later, and continue for ~~three~~ ~~one~~ calendar years from that date, unless otherwise terminated by either party OCHFT.

3. **Adjustments – Scope of Work:** No adjustments made to the scope of work will be authorized without prior written approval of the OCHFT Board
4. **Breach of Contract:** The failure of the Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the OCHFT may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
 - i. Terminate the Contract immediately, pursuant to Section K herein;
 - ii. Afford the Contractor written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach;
 - iii. Discontinue payment to the Contractor for and during the period in which the Contractor is in breach; and
 - iv. Offset against any monies billed by the Contractor but yet unpaid by the OCHFT those monies disallowed pursuant to the above.
5. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.
6. **Conflict of Interest – Contractor’s Personnel:** The Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of the OCHFT. This obligation shall apply to the Contractor; the Contractor’s employees and agents, associated with accomplishing work and services hereunder. The Contractor’s efforts shall include, but not be limited to establishing precautions to prevent its employees or agents from making, receiving, providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to appear to influence individuals to act contrary to the best interests of the OCHFT.
7. **Conflict of Interest – OCHFT Personnel:** The OCHFT Board policy prohibits its employees from engaging in activities involving a conflict of interest. The Contractor shall not, during the period of this Contract, employ any OCHFT employee for any purpose.
8. **Contractor’s Expense:** The Contractor will be responsible for all costs related to individual/mobile telephone communications, and electronic communication, ~~and fax communications~~ for the performance of work and services under this Contract. The OCHFT will not provide free parking for any service.
9. **Contractor’s Project Manager and Key Personnel:** Contractor shall appoint a Project Manager to direct the Contractor’s efforts in fulfilling Contractor’s obligations under this Contract. This Project Manager shall be subject to approval by the OCHFT and shall not be changed without the written consent of the OCHFT Chair, which consent shall not be unreasonably withheld.

The Contractor’s Project Manager shall be assigned to this project for the duration of the Contract and shall diligently pursue all work and services to meet the project time lines. The OCHFT Chair shall have the right to require the removal and replacement of the Contractor’s Project Manager from providing services to the OCHFT under this Contract. The OCHFT Chair shall notify the Contractor in writing of such action. The Contractor shall accomplish the removal within three (3) business days after written notice by the OCHFT Chair. The OCHFT Chair shall review and approve the appointment of the replacement for the Contractor’s Project Manager. The OCHFT is not required to provide any additional information, reason or rationale in the event it The OCHFT is not required to provide any additional information, reason or rationale in the event it requires the removal of Contractor’s Project Manager from providing further services under the Contract.
10. **Contractor’s Records:** The Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by the Contractor in accordance with generally

accepted accounting principles. These records shall be stored in Orange County for a period of three (3) years after final payment is received from the OCHFT.

11. **Conditions Affecting Work:** The Contractor shall be responsible for taking all steps reasonably necessary to ascertain the nature and location of the work to be performed under this Contract and to know the general conditions which can affect the work or the cost thereof. Any failure by the Contractor to do so will not relieve Contractor from responsibility for successfully performing the work without additional cost to the OCHFT. The OCHFT assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this Contract, unless such understanding or representations by the OCHFT are expressly stated in the Contract.
12. **Data – Title To:** All materials, documents, data or information obtained from the OCHFT data files or any OCHFT medium furnished to the Contractor in the performance of this Contract will at all times remain the property of the OCHFT. Such data or information may not be used or copied for direct or indirect use by the Contractor after completion or termination of this Contract without the express written consent of the OCHFT. All materials, documents, data or information, including copies, must be returned to the OCHFT at the end of this Contract.
13. **Debarment:** Contractor certifies that neither Contractor nor its principles are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in the transaction by any Federal department or agency. Where Contractor as the recipient of federal funds, is unable to certify to any of the statements in the certification, Contractor must include an explanation with the bid/proposal. Debarment pending debarment, declared ineligibility or voluntary exclusion from participation by any Federal department of agency may result in the bid/proposal being deemed non-responsible.
14. **Errors and Omissions:** All reports, files and other documents prepared and submitted by Contractor shall be complete and shall be carefully checked by the professional(s) identified by Contractor as project manager and key personnel attached hereto, prior to submission to the OCHFT. Contractor agrees that OCHFT review is discretionary, and Contractor shall not assume that the OCHFT will discover errors and/or omissions. If the OCHFT discovers any errors or omissions prior to approving Contractor's reports, files and other written documents, the reports, files or documents will be returned to Contractor for correction. Should the OCHFT or others discover errors or omissions in the reports, files or other written documents submitted by the Contractor after OCHFT approval thereof, OCHFT approval of Contractor's reports, files or documents shall not be used as a defense by Contractor in any action between the OCHFT and Contractor, and the reports, files or documents will be returned to Contractor for correction.
15. **Gratuities:** The Contractor warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the OCHFT with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the OCHFT shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the OCHFT in procuring on the open market any goods or services which the Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of the OCHFT provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.
16. **News/Information Release:** The Contractor agrees that it will not issue any news releases in connection with either the award of this Contract or any subsequent amendment of or effort under this Contract without first obtaining review and written approval of said news releases from the OCHFT through the Chair.
17. **Notices:** Any and all notices, requests demands, and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing with a copy provided to the assigned

~~Deputy Purchasing Agent (DPA)~~ OCHFT Chair, except through the course of the parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

For Contractor: Civic ~~Home, Inc.~~ Stone, LLC
Attn: Adam Eliason
1 League #62335
Irvine, CA 92620

Email: aeliasonadam@civichome.netstone.com
Phone: 909-706-7193

Field Code Changed

For OCHFT Orange County Housing Finance Trust
Attn: ~~OCHFT Board~~ Chair
1 League #62335
Irvine, CA 92620

18. **Ownership of Documents:** The OCHFT has permanent ownership of all directly connected and derivative materials produced under this contract by the contractor. All documents, reports and other incidental or derivative work or materials furnished hereunder shall become and remains the sole property of the OCHFT and may be used by the OCHFT as it may require without additional cost to the OCHFT. None of the documents, reports and other incidental or derivative work or furnished materials shall be used by the Contractor without the express written consent of the OCHFT.
19. **Precedence:** The Contract documents consist of this Contract and its exhibits and attachments. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, and then the attachments and exhibits.
20. **Reports/Meetings:** The Contractor shall develop reports and any other relevant documents necessary to complete the services and requirements as set forth in this Contract. The OCHFT Chair and the Contractor's Project Manager will meet on reasonable notice to discuss the Contractor's performance and progress under this Contract. If requested, the Contractor's Project Manager and other project personnel shall attend all meetings. The Contractor shall provide such information that is requested by the OCHFT for the purpose of monitoring progress under this Contract.
21. **Subcontracting:** ~~Other than what is already provided in this Contract, n~~ No performance of this Contract or any portion thereof may be subcontracted by the Contractor without the express written consent of the OCHFT. Any attempt by the Contractor to subcontract any performance of this Contract without the express written consent of the OCHFT shall be invalid and shall constitute a breach of this Contract.

In the event that the Contractor is authorized by the OCHFT to subcontract, this Contract shall take precedence over the terms of the Contract between Contractor and subcontractor, and shall incorporate by reference the terms of this Contract. The OCHFT shall look to the Contractor for performance and indemnification and not deal directly with any subcontractor. All work performed by a subcontractor must meet the approval of the OCHFT.
22. **Usage:** No guarantee is given by the OCHFT to the Contractor regarding usage of this Contract. Usage figures, if provided, are approximations. The Contractor agrees to supply services requested and/or

commodities requested, as needed by the OCHFT, at rates/prices listed in the Contract, regardless of quantity requested.

23. **Taxpayer ID Number:** The Contractor shall include its taxpayer ID number on all invoices submitted to the OCHFT for payment to ensure compliance with IRS requirements and to expedite payment processing.
24. **Termination – Orderly:** After receipt of a termination notice from the OCHFT, the Contractor may submit to the OCHFT a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than 60 days from the effective date of the termination, unless one or more extensions in writing are granted by the OCHFT upon written request of the Contractor. Upon termination OCHFT agrees to pay the Contractor for all services performed prior to termination which meet the requirements of the Contract, provided, however, that such compensation combined with previously paid compensation shall not exceed the total compensation set forth in the Contract. Upon termination or other expiration of this Contract, each party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of performance of the Contract.
25. **Waivers – Contract:** The failure of the OCHFT in any one or more instances to insist upon strict performance of any of the terms of this Contract or to exercise any option contained herein shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms or option on any future occasion.

Signature Page

IN WITNESS WHEREOF, the Parties hereto certify that they have read and understand all the terms and conditions contained herein and have hereby caused this Contract to be executed.

CIVIC HOMESTONE, LLC

By: _____

Name: Adam B. Eliason

Title: Principal

Dated: _____

*For Subrecipients that are corporations, signature requirements are as follows: 1) One signature by the Chairman of the Board, the President or any Vice President; and 2) One signature by the secretary, any Assistant secretary, the Chief Financial Officer or an Assistant Treasurer.

For Subrecipients that are not corporations, the person who has authority to bind the Subrecipient to a contract, must sign on one of the lines above.

ORANGE COUNTY HOUSING FINANCE TRUST

By: _____

Dated: _____

Stephen Faessel~~Jamey Federico~~, Chair
Orange County Housing Finance Trust

**APPROVED AS TO FORM
TRUST COUNSEL**

By: _____

TRUST COUNSEL

Dated: _____

ATTACHMENT A
SCOPE OF WORK

I. BACKGROUND

In its efforts to address affordable housing and homelessness, the Orange County Board of Supervisors (“Board”) co-sponsored Assembly Bill 448, which authorizes the County and cities in Orange County to create the Orange County Housing Finance Trust (OCHFT). OCHFT will provide and receive funds for housing for those experiencing homelessness and those who are of extremely low, very low and low income within Orange County.

On March 12, 2019, the Board approved the OCHFT Joint Powers Agreement (JPA). The management and administrative support services provided by Contractor in this Contract will continue to implement the Board’s leadership related to the passage of Assembly Bill 448, the JPA, Bylaws, and the future 5-year Strategic Plan.

The County of Orange, OC Community Resource’s Housing Funding Strategy set an initial goal of 2,700 new supportive housing units and affordable housing units within six years. Since its inception, OCHFT has created Permanent Supportive Housing (PSH) mapping tool to track this goal.

II. OBJECTIVES

To continue the OCHFT regional collaborative effort for affordable housing, to work with key stakeholders dedicated to improving the humanity and quality of life throughout the communities in Orange County, and continue to align with the State goals to deploy funding to finance the development of more affordable and supportive housing.

III. SCOPE OF SERVICES

Contractor shall perform management and administrative support services described in this Contract to support OCHFT on an as-needed basis. Due to varying degree and complexities to fulfill the service requirements of this Contract, the actual scope of services including tasks, deliverables, project timeline/schedule and fees will require mutual approval from Parties in accordance with the Service Request Procedures identified in this Contract. Those services that are funded with Regional Early Action Planning (REAP) grant funds are indicated below. Contractor services shall include, but are not limited to, the following:

- ~~1. Finalize the award of the 2021 Trust Notice of Funding Availability (NOFA) for \$11 million and coordinate the preparation of Trust loan documents and loan closings. (REAP funded).~~
- ~~2. Initiate and manage the 3rd Trust NOFA (\$10 million) for the development of affordable and supportive housing (REAP funded).~~
- ~~3. Continue to work on grants, legislative and/or lobbying efforts to secure additional funding from the State for administrative and development funding (REAP-funded).~~
- ~~4. Manage approved funding disbursements and compliance monitoring of funding both capital and administrative grants.~~
- ~~5. Manage the Ad Hoc Formation Committee to explore Trust tax exempt donations to fund more affordable and supportive housing (REAP funded).~~
- ~~6. Update the Trust 5 Year Business/Strategic Plan (REAP).~~

- ~~7. Work closely with Auditor/Controller on the management of the Trust Budget.~~
- ~~8. Prepare and/or coordinate all items for Trust Board meetings including the coordination with various County Memorandum of Understanding (MOU) Departments such as OCCR Staff, County Counsel and Clerk of the Board.~~
- ~~9. Continue to establish policies and procedures for the Trust including various compliance monitoring Trust funded projects (REAP funded).~~
- ~~10. Continue to manage and update the Trust website including an opportunities and accomplishments mapping upgrade (REAP funded).~~
- ~~11. Continue to represent the Trust at city council meetings, housing forums, seminars, workshops, committee meetings, various regional and stakeholder meetings to collaborate and explore solutions to the housing crisis in Orange County.~~
- ~~12. Develop and implement a strategy to retain and increase Trust membership throughout Orange County (REAP funded).~~
- ~~13. Other duties and assignments as may be deemed necessary and requested by the OCHFT Board through the Chair ("Chair") or.~~

1. Review, edit, and manage annual Trust Notice of Funding Availability (NOFA) process.
2. Review and prepare Trust loan documents and closings.
3. Coordinate with Trust Advocacy/Lobbyist and meet with state and federal legislative officials and staff to provide Trust updates and secure additional funding.
4. Review, research, and apply for funding and explore new funding sources and programs in line with the mission and vision of the Trust.
5. Manage approved funding disbursements and required compliance monitoring of both capital and administrative grants.
6. Meet with the Trust Advisory Board on a quarterly basis.
7. Manage and explore Trust tax-exempt donations to fund more affordable and supportive housing.
8. Update the Trust 5 Year Strategic Plan.
9. Work closely with Auditor/Controller on the management of the Trust Budget.
10. Prepare and/or coordinate all items for Trust Board meetings including the coordination with various County Memorandum of Understanding (MOU) Departments such as OCCR Staff, County Counsel and Clerk of the Board.
11. Prepare and coordinate all competitive bidding proposals for consultant/professional services and recommendations to the Trust Board (e.g., financial, auditing, marketing, advocacy, insurance).
12. Establish policies and procedures for the Trust including various compliance monitoring Trust funded projects.
13. Manage and update the Trust website and strategic communications and public relations.
14. Represent the Trust at city council meetings, housing forums, seminars, workshops, committee meetings, various regional and stakeholder meetings to provide Trust updates, collaborate and explore solutions to the housing crisis in Orange County.
15. Implement the strategy to retain and increase Trust membership throughout Orange County.
16. Other duties and assignments as may be deemed necessary and requested by the OCHFT Board and/or through the OCHFT Chair.

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IV. SERVICE REQUEST PROCEDURES

The OCHFT Chair or Trust Board shall have the right to request all services and work provided for under this Contract. Contractor shall timely perform all such requested services and work as requested. All request for

services shall require review and/or approval from the OCHFT Chair or designee.

A. Contractor Responsibilities

1. Contractor shall be required to submit a written quote to the OCHFT Chair with detailed tasks, deliverables, timeline, and not to exceed hours binding the Contractor for all work in response to a request for services.
2. Contractor shall discuss all required services to be performed with the OCHFT Chair or key designated personnel prior to the start of work.
3. Contractor shall perform all the necessary work in a professional manner and notify the OCHFT Chair or designee upon project completion.

B. Change Management

1. No changes to an approved request for services (tasks, deliverables, timeline, and not to exceed hours, etc.) shall be permitted without a change request in writing submitted by the Contractor and approved in writing by the OCHFT Board.

C. Communication Management

1. All communication for any work performed in this Contract will be directed to the Trust Board through the OCHFT Chair.

V. OCHFT RESPONSIBILITIES

1. The Trust Board, through its OCHFT Chair or Trust’s designee, shall assign, review, and approve all Contractor services provided in this Contract.
2. OCHFT will provide meeting facilities, as needed.

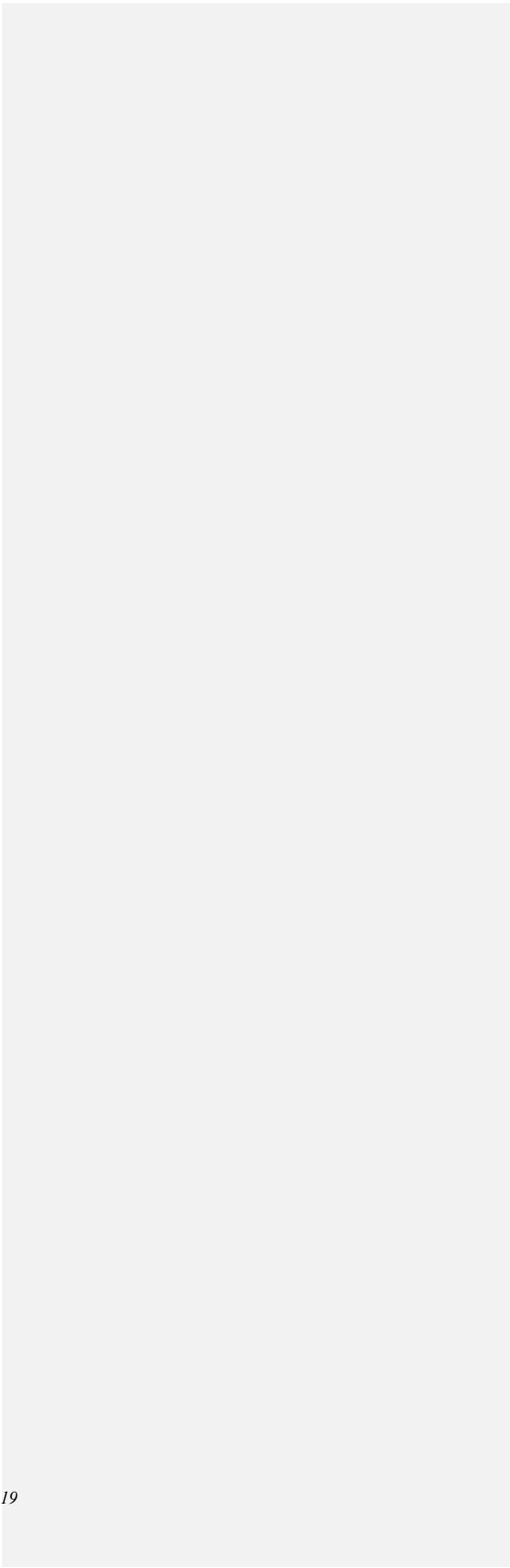
VI. SUBCONTRACTORS

In accordance with Article I, Assignment, the following subcontractor(s) shall assist Contractor to provide services on this Contract.

NAME	Project Function
Grant Henninger	Executive Assistant <u>Housing Development Manager</u>
John Trauth	Sub-Consultant <u>for Strategic Plan</u>
(TBD)	Project, Budget, and Grant Funding Compliance Monitor

Assignment of additional key personnel shall be subject to OCHFT approval. OCHFT reserves the right to have any of Contractor personnel removed from providing services to OCHFT under this Contract. OCHFT is not required to provide any reason for the request for removal of any Contractor personnel.

Agenda Item: 5
Attachment B



ATTACHMENT B
COMPENSATION / PAYMENT

I. COMPENSATION: This is a fixed-fee Contract between the OCHFT and the Contractor for Consulting Services as set forth in Attachment A – Scope of Work. The annual Contract amount shall not exceed \$260,000 per year for a~~The total not-to-Contract amount for period of January 1, 2023 to December 31, 2023 shall not exceed~~ Contract amount of \$782640,000.00 for the services provided in Attachment A, Scope of Work. Excluded from this fixed fee is time spent locating responsive records and responding record requests under the California Public Records Act. Such requests shall be billed at a rate of \$88149.00 per hour. Contractor shall seek to subcontract pursuant to Section 21 of this Contract to reduce the costs associated with California Public Records Act requests.

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The Contractor agrees to accept the specified compensation as set forth in this Contract as full remuneration for performing all services and furnishing all staffing labor, insurance requirements and taxes required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by the Contractor of all its duties and obligations hereunder. The Contractor shall only be compensated as set forth herein below for work performed in accordance with the Scope of Work. The OCHFT shall have no obligation to pay any sum in excess of the fixed rates specified herein unless authorized by amendment in accordance with Article C of this Contract.

II. CONTRACTOR FEES: OCHFT shall pay Contractor at the fixed hourly rate specified herein, based on the number of actual hours expended by Contractor to complete the services in this Contract; provided, however, that the total of such payments, including reimbursable expenses, shall not exceed the total Contract amount.

Fixed Hourly Rate:

STAFF NAME TITLE	RATE PER HOUR
Adam Eliason Principal	\$1970.00
John Trauth Sub Consultant	\$1970.00
Grant Henninger Housing Development Manager Executive Assistant	\$16849.00
(TBD) Project, Budget, and Grant Funding Compliance Monitor	\$885.00

Rate Per Hour will be increased annually on January 1, 2024, and January 1, 2025, equal to an increase in the Consumer Price Index (CPI) for the preceding 12 months--for All Urban Consumers (CPI-U), Los Angeles-Long Beach-Anaheim (1982-84=100 unless otherwise noted), All Items promulgated by the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor, or replacement index published thereto.

BLS website: https://www.bls.gov/regions/west/news-release/consumerpriceindex_losangeles.htm

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III. FIRM DISCOUNT AND PRICING STRUCTURE: Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope. ~~Contractor agrees that no price increases shall be passed along to the OCHFT during the term of this Contract not otherwise specified and provided for within this Contract.~~

IV. CONTRACTOR'S EXPENSE: Contractor shall furnish all materials, supplies, computer equipment, and labor to provide the requested services in this Contract.

Contractor will be responsible for all costs related to individual/mobile telephone communications, travel within Orange County, parking, and any and all "out of pocket" expenses incurred by the Contractor while on OCHFT sites during the performance of work and services under this Contract, unless otherwise specified. The Contractor shall be responsible for payment of all parking costs and expenses incurred at an OCHFT facility while performing work under this Contract, except to the extent the OCHFT facility has free parking available to the public and the Contractor makes appropriate use of this free parking. However, the OCHFT will not provide free parking to the Contractor.

Contractor's travel expenses conducted outside of Orange County for airfare, mileage reimbursement at IRS standard for own car, lodging, car rental/ride share, car rental gas, toll expenses, airport parking fees, and conference/meeting fees will be paid on a reimbursement basis with receipts attached to monthly invoice. Office expenses such as messenger services, copy service, notary, overnight shipping/express mail costs, will be paid on a reimbursement basis with receipts attached to monthly invoice.

Travel outside of Orange County shall not be reimbursed without prior authorization from Trust Board or OCHFT Chair. Authorization must be done in writing. Written authorization may be in a form including ~~fax or~~ email confirmation.

V. PAYMENT TERMS: Invoices are submitted monthly in arrears for services rendered. The invoice(s) shall be submitted to the user agency/department to the bill-to address, unless otherwise directed in this Contract. The Contractor shall reference the Contract number on invoice. Payment will be net 30 days after receipt of an invoice in a format acceptable to the OCHFT and verified and approved by the agency/department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the Contractor.

Billing shall cover services not previously invoiced. The Contractor shall reimburse the OCHFT for any monies paid to the Contractor for services not provided or when services do not meet the Contract requirements.

Payments made by the OCHFT shall not preclude the right of the OCHFT from thereafter disputing any services involved or billed under this Contract and shall not be construed as acceptance of any part of the services.

VI. INVOICE/PAYMENT INSTRUCTIONS: The Contractor will provide an invoice on the Contractor's letterhead for services rendered. Each invoice will have a number and will include the following information:

1. Contractor's name and address
2. Contractor's remittance address
3. Contractor's Taxpayer ID number
4. Name of Trust – **OC Housing Finance Trust**
5. Contract Number, if any
6. Dates services rendered
7. Service description.
8. Date specific and total time and billable cost.

Invoices and supporting documentation are to be sent to:

Orange County Housing Finance Trust
Attn: ~~OCCR Accounting Office Board Chair~~
601 N. Ross, 6th Floor
Santa Ana, CA 92701

Invoices must be approved by OCHFT Board Chair. Incomplete or incorrect invoices are not acceptable and will be returned to the Contractor for correction.

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- VII. PAYMENT (ELECTRONIC FUNDS TRANSFER [EFT]):** The OCHFT offers Contractors the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive an Electronic Remittance Advice with the payment details via e-mail. An e-mail address will need to be provided to the OCHFT via an EFT Authorization Form. To request a form, please contact the agency/department DPA listed in the Contract. Upon completion of the form, please mail, ~~fax~~ or email to the address or phone listed on the form.
- VIII. TAX ID NUMBER:** The Contractor shall include its taxpayer ID number on all invoices submitted to the OCHFT for payment to ensure compliance with IRS requirements and to expedite payment processing