

**HOUSING AUTHORITY OF THE CITY OF PITTSBURG  
HOUSING REHABILITATION LOAN PROGRAM ADMINISTRATION AGREEMENT**

This administration agreement (this "Agreement"), dated as of July 1, 2015, is entered into between Contra Costa County, a political subdivision of the State of California (the "County"), and the Housing Authority of the City of Pittsburg (the "Housing Authority").

**RECITALS**

- A. The Redevelopment Agency of the City of Pittsburg (the "Agency") was a redevelopment agency formed pursuant to California Community Redevelopment Law Health and Safety Code Section 33000 et seq.
- B. On June 29, 2011, the Governor signed into law ABX1 26 (AB 26), also referred to as the "Dissolution Act," which automatically suspended redevelopment activities. On December 29, 2011, the California State Supreme Court upheld the provisions of AB 26, thereby dissolving all redevelopment agencies on February 1, 2012 (Dissolution Date). AB 26 provides that prior to the Dissolution Date, the City of Pittsburg (the "City") could elect to assume the assets and responsibilities for the housing functions previously performed by the Agency or by default the housing functions would be transferred to the local housing authority.
- C. On January 17, 2012, by City Council Resolution 12-11753 and Housing Authority Resolution 12-261, the City elected to transfer and the Housing Authority elected to assume all the rights, responsibilities, and functions related to housing previously performed by the Agency.
- D. The Housing Authority has approved the use of One Hundred Thousand Dollars (\$100,000) of Housing Authority funds for fiscal year 2015-2016 for a housing rehabilitation loan program. The program will be directed to owner-occupied single-family residences in Pittsburg.
- E. The Housing Authority desires to have the County administer the Housing Authority's housing rehabilitation loan program. The Housing Authority is willing to pay the County for providing the services described in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**AGREEMENT**

- 1. Term. Unless sooner terminated as provided in this Agreement, the term of this Agreement is from July 1, 2015 through June 30, 2016.
- 2. County Obligations.

- a. Intake and Review. The County will provide the following services related to the intake and review of loan and grant applications:
- i. Distribute loan application forms to interested property owners.
  - ii. Consult with property owners and provide information regarding program requirements.
  - iii. Review applications to determine each applicant's loan eligibility. To be eligible for a loan of Housing Authority funds, applicants must meet the most current low and moderate-income guidelines established by the United States Department of Housing and Urban Development and the Housing Authority for the housing rehabilitation program. Eligibility for a loan of Housing Authority funds will be based on the criteria set forth in the Home Rehabilitation Loan and Emergency Grant Program Policies and Guidelines (Exhibit A) attached hereto.
  - iv. Confirm property is located within the boundaries of the City of Pittsburg.
  - v. Approve loans to eligible applicants in an amount not to exceed Thirty Thousand Dollars (\$30,000). Submit a copy of each approved loan application to the Housing Authority, along with a copy of the executed promissory note and deed of trust.
  - vi. Amortizing Loan Processing. If a loan requires regular monthly payments of principal and interest, the County will:
    1. Send monthly statements to the borrower with the current loan balance and amount due.
    2. Collect monthly payments from the borrower.
    3. Remit funds to the Housing Authority quarterly on October 1, January 1, April 1 and July 1.
- b. Loan Processing. If a loan application is approved, the County will:
- i. Conduct initial inspection of properties of eligible applicants and prepare inspection reports.
  - ii. Assist eligible applicants with securing contractual services to undertake eligible work, including preparing bid packages, noticing the availability of bid packages, reviewing bids received, and confirming the contractor and any subcontractors are not on the County list of debarred, suspended, or ineligible contractors. The County may assist the applicant in choosing a contractor from the County's courtesy list of contractors or may assist the applicant in choosing a contractor who has a license from the State Contractor's Board and a business license from the City.
  - iii. Assist eligible applicants with the preparation of loan application documents.

- iv. If a loan is approved, prepare the loan documents between the homeowner and the Housing Authority, under which the homeowner evidences its obligation to repay the loan through the execution of a promissory note, which note is secured by a deed of trust that names the Housing Authority as the beneficiary.
- v. Verify the contractor's general liability, automobile liability and workers' compensation insurance coverage prior to each project start date. Contractor's general liability policy must list the County and the Housing Authority as additional insureds.
- vi. Verify the contractor's licenses including a business license from the City, and evaluation of contractor's qualifications. Verify that the contractor has a license from the State Contractor's Board.
- vii. Coordinate the signing of rehabilitation contract with selected contractor, prior to initiation of work. Upon signature, homeowner will be provided an anticipated timeline and completion date for the work.
- viii. Perform periodic inspections to determine that work is being performed in accordance with the contract between the homeowner and the contractor.
- ix. Perform final inspection to determine that the work has been completed in accordance with the terms of the contract between the homeowner and the contractor.
- x. If work is performed in accordance with homeowner's contract with the contractor during the term of the contract, with homeowner's agreement, make progress payments to contractor. Progress payments are to be made by the County within 30 days following its receipt of a request from the contractor for payment in the form of a payment voucher.

If work is completed in accordance with homeowner's contract with the contractor, with the homeowner's agreement, (i) accept the work and make the semi-final payment to contractor, and (ii) record the Notice of Completion. The semi-final payment is to be made by the County within 30 days following its receipt of a request from the contractor for payment in the form of a payment voucher.

Make the final payment to the contractor 35 days after the date the Notice of Completion is recorded.

- c. Reporting. The County shall report quarterly on the number of applicants and loans signed, jobs completed, demographic data, race/ethnicity, income level, household type, etc., which report is due the 15<sup>th</sup> of the month following the end of each quarter. Backup documentation will include a detailed report identifying all loans made with Housing Authority funds that are administered by the County under this Agreement. The report is to include the name of the homeowner, the address and parcel number of the improved property, the loan amount, the term of the loan, if applicable, the type of work performed as a result of the loan, and program demographic information. The report is to contain the name of each contractor, along with the contractor's address and license number.

- d. Records. The County shall maintain records that are pertinent to the activities to be funded under this Agreement. Such records are to include, but are not limited to:
    - i. Records providing a full description of each activity undertaken.
    - ii. Records that establish the eligibility of activities.
3. Housing Authority Obligations. The Housing Authority is responsible for the following:
- a. Providing to the County funds sufficient for payment to the contractor. The Housing Authority shall provide such funds to the County in periodic installments. Each payment is to be made upon receipt of a payment demand from the County, which will be made following a payment request from the contractor as described in Section 2.b.x above.
  - b. Designing, printing and distributing all promotional literature relating to the program. The Housing Authority will pay for all printing and other costs associated with the promotional literature. The Housing Authority will advertise the program on the City website and in other ways in which it deems appropriate, and will bear the cost of doing so.
  - c. Processing plans, issuing all necessary permits and issuing any relevant final occupancy permits through the City's Building Division. All projects must conform to the City's building codes.
  - d. Determining whether a project meets the City's building codes and taking any code enforcement action it deems necessary.
  - e. Complying with any reporting requirements that may be required by applicable federal and state housing laws and community development laws.
  - f. Receiving loan repayments from the homeowner and taking any necessary collection action on delinquent loans.
4. Compensation. The Housing Authority shall pay the County for the services provided by the County to the Housing Authority under this Agreement. The amount payable to the County will be calculated as follows:
- a. The Housing Authority shall pay the County Seven Hundred Fifty Dollars (\$750) for each loan application processed under this Agreement, whether or not a loan is actually funded.
  - b. The Housing Authority shall pay the County an additional Seven Hundred Fifty Dollars (\$750) for each initial inspection made by the County under this Agreement, whether or not a loan is actually funded.
  - c. The Housing Authority shall pay the County twenty percent (20%) of the loan amount of each transaction funded, which amount includes the One Thousand Five Hundred Dollars (\$1,500) paid to the County pursuant to subsections a. and b. of this Section 4.

5. Invoices and Payment. The County shall invoice the Housing Authority quarterly for amounts due under this Agreement. The Housing Authority shall pay all amounts due to the County under this Agreement within thirty (30) days of receipt of an invoice.
6. Inspection of Work. It is understood that periodic review of the County's work under this Agreement may be necessary and the right to so review is reserved by the Housing Authority. The Housing Authority will have access to any books, documents, papers and records of the County that are directly pertinent to the work performed under this Agreement, except for confidential attorney/client materials. If required by applicable federal and state housing laws or community development laws, the County agrees to have an annual audit of activities provided to the Housing Authority under this Agreement.
7. Termination. This Agreement may be terminated by the County or the Housing Authority upon ninety (90) days' written notice.

Upon termination of this Agreement, the Housing Authority shall pay to the County all amounts due, or previously due, under this Agreement to the County at the time of termination.

8. Amendments. If State regulations, laws, funding requirements or funding amounts applicable to the subject of this Agreement are adopted or revised during the term of this Agreement, this Agreement will be deemed amended, as necessary, to assure conformance with such State requirements. Subject to the preceding sentence, modifications to this Agreement may only be effected by a written amendment signed by the parties.
9. Indemnification. The Housing Authority agrees to indemnify and hold harmless the County and its officers and employees for the City's share of any and all claims, costs and liability, including attorneys fees, for any damage, injury or death of or to any person or the property of any person arising out of the willful misconduct or gross negligence of the Housing Authority in the Housing Authority's performance under this Agreement. The County agrees to indemnify and hold harmless the Housing Authority and its officers and employees for the County's share of any and all claims, costs and liability, including attorneys fees, for any damage, injury or death of or to any person or the property of any person arising out of the willful misconduct or the negligent acts, errors or omissions of the County in the County's performance under this Agreement.
10. Third Parties. Nothing in this Agreement is intended, and may not be construed, to create rights inuring to the benefit of third parties.
11. Remedies. The sole remedy for violation of this Agreement is the specific performance of this Agreement. The County and Housing Authority waive their respective rights to trial by jury of any claim or cause of action arising out of this Agreement. The County and Housing Authority have no liability for damages to one another or to any person or entity resulting from any violation of this Agreement.
12. Notice. All correspondence regarding this Agreement, including invoices, payments, and notices, is to be delivered by deposit in the United States mail, postage prepaid, and directed to the following persons at the following addresses:

COUNTY: Director  
Contra Costa County  
Department of Conservation & Development  
30 Muir Road  
Martinez, CA 94553

HOUSING AUTHORITY: Joe Sbranti  
Executive Director  
Housing Authority of the City of Pittsburg  
65 Civic Avenue  
Pittsburg, CA 94565

13. Construction. The section headings and captions of this Agreement are, and the arrangement of this instrument is, for the sole convenience of the parties to this Agreement. The section headings, captions and arrangement of this instrument do not in any way affect, limit, amplify or modify the terms and provisions of this Agreement. This Agreement may not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. The parties to this Agreement and their counsel have read and reviewed this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply to the interpretation of this Agreement. The Recitals are, and are to be enforceable as, a part of this Agreement.
14. Severability. If any term or provision of this Agreement is, to any extent, held invalid or unenforceable, the remainder of this Agreement will not be affected.
15. Authorizations Obtained. The person executing this Agreement on behalf of the Housing Authority represents that he or she has the requisite legal authority to enter into this Agreement on behalf of the Housing Authority and to bind the Housing Authority to the terms of this Agreement. The person executing this Agreement on behalf of the County represents that he or she has the requisite legal authority to enter into this Agreement on behalf of the County and to bind the County to the terms of this Agreement.

[Remainder of Page Intentionally Blank]

16. Entire Agreement. This Agreement contains the entire agreement between the parties and all prior understandings or agreements, oral or written, regarding this matter are superseded.

CONTRA COSTA COUNTY

HOUSING AUTHORITY OF THE CITY OF  
PITTSBURG

By: \_\_\_\_\_  
Department of Conservation  
and Development

By: \_\_\_\_\_  
Joe Sbranti, Executive Director

APPROVED AS TO FORM:  
Sharon L. Anderson, County Counsel

ATTEST:

By: \_\_\_\_\_  
Kathleen Andrus,  
Deputy County Counsel

By: \_\_\_\_\_  
Alice Evenson, Agency Secretary

APPROVED AS TO FORM

By: \_\_\_\_\_  
Ruthann G. Ziegler, City Attorney