



**RESOURCE
MANAGEMENT AGENCY
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

ALLEN ISHIDA
District One

PETE VANDER POEL
District Two

PHILLIP A. COX
District Three

J. STEVEN WORTHLEY
District Four

MIKE ENNIS
District Five

AGENDA DATE: January 31, 2012 **REVISED**

Public Hearing Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Published Notice Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Advertised Published Notice	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Meet & Confer Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Personnel Resolution attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>

CONTACT PERSON: Celeste Perez PHONE: 559-624-7010

SUBJECT: Approve Amendment No. 2 to Agreement No. 24487 with Corporation for Better Housing, Inc.

REQUEST(S):

That the Board of Supervisors:

1. Approve Amendment No. 2 to Agreement No. 24487 with Corporation for Better Housing, Inc. (CBH) to increase the amount of the Agreement from \$854,026 to \$8,565,002 for the construction of a 76-unit apartment complex in the unincorporated community of Ivanhoe.
2. Authorize the Chairman to execute the Amendment.

SUMMARY:

On March 23, 2010, the County entered into Agreement No. 24487 with the Corporation for Better Housing for the funding of construction of the Ivanhoe Family Apartments complex. The original agreement was approved as to form by County Counsel and by the Board on March 23, 2010. On July 8, 2010, the Board executed an Amendment to this Agreement to increase the contract amount from \$650,000 to \$854,026, to allow for additional architecture and engineering services and to prevent funds from being disencumbered. The County has applied for and received additional funding for this project from the Home Investment Partnerships Program (HOME) in the amount of \$5,000,000 with a local contribution of \$150,000 from the Ivanhoe Redevelopment Project Area, and Neighborhood Stabilization Program 3 (NSP3) in the amount of \$2,560,976. These additional sources will fund the construction cost for this project. Construction of this 76-unit apartment complex began in December 2011 and is anticipated to be completed by February 2013.

SUBJECT: Approve Amendment No. 2 to Agreement No. 24487 with Corporation for Better Housing, Inc.
DATE: January 31, 2012

This amendment does not modify the scope to the agreement, as these services were included in the scope of the original agreement. There were no deviations from the County contract protocol included in the original agreement and the proposed amendment to the agreement does not include any deviations from the County contract protocol.

The original agreement was approved as to form by County Counsel and was approved by the Board of Supervisors on March 23, 2010. The deviations from the County contract protocol included in the original agenda item were: (there were no deviations in the original agenda item.) The proposed amendments to the agreement do not include any additional deviations from the County contract protocol.

The only changes from the original agreement, as amended to date, are changing the time period of the agreement (no time period changes in this amendment), and/or changing the dollar amount under the agreement (the original agreement was for \$650,000. Amendment No. 1 changed the dollar amount to \$854,026. In Amendment No. 2 it is requested to increase the amount from \$854,026 to \$8,565,002.)

FISCAL IMPACT/FINANCING:

The Amendment to the Agreement will be funded by Grant No. 10-HOME-6344, Budget No. 051-230-4346 (\$5,000,000), Ivanhoe Redevelopment Project Area Budget No. RI4-RI4-2000 (\$150,000 authorized by Resolution No. RA 2009-12 [\$50,000 HOME grant leverage] and Resolution No. RA 2010-05 [\$100,000 9% Tax Credit Allocation leverage]), and NSP3 Grant No. B-11-UN-06-0007, Budget No. 050-230-4360 (\$2,560,976).

There is no net County cost to the General Fund.

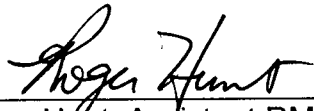
LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's five-year strategic plan includes the Quality of Life initiative to promote public health and welfare and the Economic Well-Being initiative to promote effective growth management and quality standard of living. This project will allow the County to provide decent, safe and affordable rental housing to low-income families.

SUBJECT: Approve Amendment No. 2 to Agreement No. 24487 with Corporation for
Better Housing, Inc.

DATE: January 31, 2012

ADMINISTRATIVE SIGN-OFF:

A handwritten signature in black ink, appearing to read "Roger Hunt", is written over a horizontal line.

Roger Hunt, Assistant RMA Director
Administration/Community Development Branch

Cc: Auditor-Controller
County Counsel
County Administrative Office (2)

Attachment(s) Amendment 2

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF APPROVING) Resolution No. _____
AMENDMENT NO. 2 TO AGREEMENT NO.) Agreement No. _____
24487 WITH CORPORATION FOR BETTER)
HOUSING, INC.)

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD JANUARY 31, 2012,
BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JEAN M. ROUSSEAU
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

1. Approved Amendment No. 2 to Agreement No. 24487 with Corporation for Better Housing, Inc. (CBH) to increase the amount of the Agreement from \$854,026 to \$8,565,002 for the construction of a 76-unit apartment complex in the unincorporated community of Ivanhoe.
2. Authorized the Chairman to execute the Amendment.

TULARE COUNTY AGREEMENT NO. 24487
AMENDMENT NO. 2

THIS AMENDMENT to Tulare County Agreement No. 24487 is entered into as of _____, between the COUNTY OF TULARE, referred to as COUNTY, and CORPORATION FOR BETTER HOUSING, INC., referred to as CONSULTANT, with reference to the following:

A. WHEREAS, COUNTY has entered into Standard Agreement No. 09-NSP1-6270, referred to as NSP1 STANDARD AGREEMENT, which shall be incorporated into this agreement and made an attachment hereto as Exhibit "A" to receive funding from the State of California's Neighborhood Stabilization Program, referred to as NSP1, from the State of California, Department of Housing and Community Development, referred to as HCD, to finance the Ivanhoe Family Apartments, referred to as PROJECT; and

B. WHEREAS, COUNTY has entered into Standard Agreement No. 10-HOME-6344, referred to as HOME STANDARD AGREEMENT, which shall be incorporated into this agreement and made an attachment hereto as Exhibit "E" to receive funding from the State of California's HOME Investment Partnerships Program, referred to as HOME, from HCD to finance the Ivanhoe Family Apartments, referred to as PROJECT; and

C. WHEREAS, COUNTY has entered into Agreement No. B-11-UN-06-0007, referred to as NSP3 STANDARD AGREEMENT, which shall be incorporated into this agreement and made an attachment hereto as Exhibit "F" to receive funding from the Neighborhood Stabilization Program Three, referred to as NSP3, from the United States Department of Housing and Urban Development, referred to as HUD, to finance the Ivanhoe Family Apartments, referred to as PROJECT; and

D. WHEREAS, COUNTY and the Tulare County Redevelopment Agency (TCRA) authorized commitment of \$150,000 of local funds from the Ivanhoe Redevelopment Project Area through Resolution No. RA 2009-12 (\$50,000) and Resolution No. RA 2010-05 (\$100,000) to provide additional financing for the PROJECT; and

E. WHEREAS, the purpose of NSP1, HOME, and NSP3 is to provide benefit to low-, moderate- and middle-income (LMMI) persons. All activities carried out with these funds provided under this Agreement will benefit LMMI-verified residents by the CONSULTANT, as defined by HUD and HCD.

F. WHEREAS, CONSULTANT meets the requirements as outlined by NSP1, HOME, NSP3, and COUNTY's Subcontractor procurement requirements and has expertise in carrying out various programs and activities; and

G. WHEREAS, COUNTY wishes to enter into a professional services agreement with CONSULTANT for purposes of implementing the PROJECT mentioned above utilizing NSP1 funds in the manner stated in the 2009 NSP1 Joint Application and in accordance with the STANDARD AGREEMENT, utilizing 10-HOME-6344 funds in the manner stated in the 2009 HOME Application and in accordance with the STANDARD AGREEMENT, utilizing NSP3 B-11-UN-06-0007 funds in the manner stated in the NSP3 Action Plan and in accordance with the STANDARD AGREEMENT, and utilizing TCRA funds for the PROJECT; and

ACCORDINGLY, IT IS AGREED:

1. Paragraph 3 of Tulare County Agreement No. 24487 is amended to read as follows:

3. PAYMENT FOR SERVICES: The COUNTY shall pay CONSULTANT a sum not to exceed \$8,565,002 for services provided pursuant to this Agreement subject to the following conditions:
 - a. **Tulare County Neighborhood Stabilization Program One (NSP1)**
 - i. \$854,026 of NSP1 funds will be spent only for NSP1-eligible costs, as defined by HCD and outlined in the NSP1 Joint Application, and in accordance with the Program Guidelines submitted in the NSP1 Joint Application (Program Guidelines subject to change by HCD).
 - ii. The \$854,026 of NSP1 funds shall be used for NSP1-eligible costs associated with CONSULTANT's low income rental housing project in Ivanhoe as more particularly described in Exhibit "D".
 - iii. Up to a maximum of five (5) percent of NSP1 funds may be expended for program administration.
 - iv. Up to a maximum of eight (8) percent of NSP1 activity funds may be expended for activity delivery on Activity A, D, and E; and up to a maximum of nineteen (19) percent of NSP1 activity funds may be expended for activity delivery on housing rehabilitation under Activity B with all other components including acquisition, homebuyer counseling, and disposition under Activity B receiving up to a maximum of eight (8) percent, as defined by HCD and described in the NSP1 Application.
 - v. The compensation to be provided to CONSULTANT under this Agreement will be reduced due to any inability to provide services, whether such an inability is due to CONSULTANT activities or other activities or circumstances beyond the control of CONSULTANT.
 - vi. By the fifteenth (15th) day of the second (2nd) month of the project and monthly thereafter, CONSULTANT shall submit monthly invoice statements stating the services provided and the actual costs of the previous month.
 - vii. All invoices will be submitted through the Resource Management Agency to the Community Development and Redevelopment Division for approval prior to payment by the Auditor's Office. Invoices shall be in the form and contain the documentation requested by COUNTY and shall be subject to approval by COUNTY, which approval shall not be unreasonably withheld. COUNTY will endeavor to make payments within thirty (30) days of receipt of approved invoice; however, if the required documentation is not provided, COUNTY is under no obligation to pay said invoice or request funds from HCD on the funding jurisdiction's behalf. COUNTY will endeavor to notify CONSULTANT of any objections, questions, or complaints regarding any particular invoice or related documentation within fifteen (15) days of receipt of such invoice and related documentation. If COUNTY determines that any amounts were improperly billed and/or paid to CONSULTANT, or CONSULTANT was improperly underpaid, adjustments by such amounts may be made in the payment on the current or a later invoice with explanation provided. No interest or penalties shall accrue for late payments.
 - viii. All NSP1 funds shall be expended in accordance with the deadlines and milestones required within the NSP1 STANDARD AGREEMENT.

ix. All NSP1 Program Income funds shall be expended in accordance with the deadlines and milestones required by NSP1 Regulations, as stated in the NOFA, Application and NSP1 STANDARD AGREEMENT.

b. **Tulare County HOME Investment Partnerships Program**

i. \$5,000,000 of HOME funds will be spent only for HOME-eligible costs, as defined by HCD and outlined in the HOME Application, and in accordance with the Program Guidelines submitted in the HOME Application (Program Guidelines subject to change by HCD).

ii. The \$5,000,000 of HOME funds shall be used for HOME-eligible costs associated with CONSULTANT's low income rental housing project in Ivanhoe as more particularly described in Exhibit "D".

iii. The compensation to be provided to CONSULTANT under this Agreement will be reduced due to any inability to provide services, whether such an inability is due to CONSULTANT activities or other activities or circumstances beyond the control of CONSULTANT.

iv. By the fifteenth (15th) day of the second (2nd) month of the project and monthly thereafter, CONSULTANT shall submit monthly invoice statements stating the services provided and the actual costs of the previous month.

v. All invoices will be submitted through the Resource Management Agency to the Community Development and Redevelopment Division for approval prior to payment by the Auditor's Office. Invoices shall be in the form and contain the documentation requested by COUNTY and shall be subject to approval by COUNTY, which approval shall not be unreasonably withheld. COUNTY will endeavor to make payments within thirty (30) days of receipt of approved invoice; however, if the required documentation is not provided, COUNTY is under no obligation to pay said invoice or request funds from HCD on the funding jurisdiction's behalf. COUNTY will endeavor to notify CONSULTANT of any objections, questions, or complaints regarding any particular invoice or related documentation within fifteen (15) days of receipt of such invoice and related documentation. If COUNTY determines that any amounts were improperly billed and/or paid to CONSULTANT, or CONSULTANT was improperly underpaid, adjustments by such amounts may be made in the payment on the current or a later invoice with explanation provided. No interest or penalties shall accrue for late payments.

vi. All HOME funds shall be expended in accordance with the deadlines and milestones required within the HOME STANDARD AGREEMENT.

vii. All HOME Program Income funds shall be expended in accordance with the deadlines and milestones required by HOME Regulations, as stated in the NOFA, Application and HOME STANDARD AGREEMENT.

c. **Tulare County Neighborhood Stabilization Program Three (NSP3)**

i. \$2,560,976 of NSP3 funds will be spent only for NSP3-eligible costs, as defined by HUD, and outlined in the NSP3 Application, and in accordance with the Program Guidelines submitted in the NSP3 Application (Program Guidelines subject to change by HUD).

ii. The \$2,560,976 of NSP3 funds shall be used for NSP3-eligible costs associated with CONSULTANT's low income rental housing project in Ivanhoe as more particularly described in Exhibit "D".

iii. The compensation to be provided to CONSULTANT under this Agreement will be reduced due to any inability to provide services, whether such

an inability is due to CONSULTANT activities or other activities or circumstances beyond the control of CONSULTANT.

iv. By the fifteenth (15th) day of the second (2nd) month of the project and monthly thereafter, CONSULTANT shall submit monthly invoice statements stating the services provided and the actual costs of the previous month.

v. All invoices will be submitted through the Resource Management Agency to the Community Development and Redevelopment Division for approval prior to payment by the Auditor's Office. Invoices shall be in the form and contain the documentation requested by COUNTY and shall be subject to approval by COUNTY, which approval shall not be unreasonably withheld. COUNTY will endeavor to make payments within thirty (30) days of receipt of approved invoice; however, if the required documentation is not provided, COUNTY is under no obligation to pay said invoice or request funds from HCD on the funding jurisdiction's behalf. COUNTY will endeavor to notify CONSULTANT of any objections, questions, or complaints regarding any particular invoice or related documentation within fifteen (15) days of receipt of such invoice and related documentation. If COUNTY determines that any amounts were improperly billed and/or paid to CONSULTANT, or CONSULTANT was improperly underpaid, adjustments by such amounts may be made in the payment on the current or a later invoice with explanation provided. No interest or penalties shall accrue for late payments.

vi. All NSP3 funds shall be expended in accordance with the deadlines and milestones required within the NSP3 STANDARD AGREEMENT.

vii. All NSP3 Program Income funds shall be expended in accordance with the deadlines and milestones required by NSP3 Regulations, as stated in the NOFA, Application and NSP3 STANDARD AGREEMENT.

d. **Tulare County Redevelopment Agency**

i. \$150,000 of TCRA funds will be spent only for eligible costs, as defined by California Redevelopment Law.

ii. The \$150,000 of TCRA funds shall be used for TCRA-eligible costs associated with CONSULTANT's low income rental housing project in Ivanhoe as more particularly described in Exhibit "D".

iii. The compensation to be provided to CONSULTANT under this Agreement will be reduced due to any inability to provide services, whether such an inability is due to CONSULTANT activities or other activities or circumstances beyond the control of CONSULTANT.

iv. By the fifteenth (15th) day of the second (2nd) month of the project and monthly thereafter, CONSULTANT shall submit monthly invoice statements stating the services provided and the actual costs of the previous month.

v. All invoices will be submitted through the Resource Management Agency to the Community Development and Redevelopment Division for approval prior to payment by the Auditor's Office. Invoices shall be in the form and contain the documentation requested by COUNTY and shall be subject to approval by COUNTY, which approval shall not be unreasonably withheld. COUNTY will endeavor to make payments within thirty (30) days of receipt of approved invoice; however, if the required documentation is not provided, COUNTY is under no obligation to pay said invoice. COUNTY will endeavor to notify CONSULTANT of any objections, questions, or complaints regarding any particular invoice or related documentation within fifteen (15) days of receipt of

such invoice and related documentation. If COUNTY determines that any amounts were improperly billed and/or paid to CONSULTANT, or CONSULTANT was improperly underpaid, adjustments by such amounts may be made in the payment on the current or a later invoice with explanation provided. No interest or penalties shall accrue for late payments.

vi. All TCRA funds shall be expended in accordance with the deadlines and milestones required for the PROJECT.

2. Exhibit "D" (SCOPE OF DEVELOPMENT) of Tulare County Agreement No. 24487 is amended to read as follows:

Purpose

The Project will consist of seventy-six (76) affordable apartment units in the unincorporated community of Ivanhoe, Tulare County, California. The site is a currently vacant parcel of 4.57 acres and is located at the southwest corner of Avenue 327 and State Route 216 (APN#107-162-032). The development will be exclusively targeted to low and very low income households and will be maintained and operated as affordable for a fifty-five (55) year period.

Description

The seventy-six (76) unit development will be comprised of sixteen (16) one bedroom units, thirty six (36) two bedroom units and twenty four (24) three bedroom units. Other improvements will include perimeter security fencing, a community center/recreation building, laundry facilities, parking and open landscaped areas.

Project Development, Ownership and Management

Corporation for Better Housing is the applicant to the County for NSP1, HOME, and NSP3 funds. Corporation for Better Housing is the project developer and will act as the General Partner of the limited partnership that will own the development.

The project shall be constructed in one phase with total cost of development estimated at \$16,558,885. The breakdown of development sources is as follows:

HOME Funds	\$ 5,000,000
Tax Credit Equity	\$ 5,119,102
NSP3 Program Funds	\$ 2,560,976
Joe Serna Jr. Farmworker	\$ 1,750,000
Permanent Loan	\$ 1,352,464
NSP1 Program Funds	\$ 854,026
Tulare County Redevelopment	\$ 150,000
Deferred Developer Fee	\$ 100,654
	\$ 16,887,222

The NSP1 funds shall be used for land acquisition and other program approved activities to be approved in advance by the County.

The HOME funds shall be used for construction costs and other program approved activities to be approved in advance by the County.

The NSP3 funds shall be used for construction costs and other program approved activities to be approved in advance by the County.

3. All NSP1, HOME, NSP3, TCRA, and other PROJECT funds shall be expended in accordance with the deadlines and milestones required within the Grant STANDARD AGREEMENTS and funding documentation for each funding source.

All other terms and conditions of Tulare County Agreement No. 24487 will remain in full force and effect.

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THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

COUNTY OF TULARE

Date: _____

By: _____
Chairman, Board of Supervisors
"COUNTY"

ATTEST: JEAN M. ROUSSEAU
County Administrative Officer/Clerk of the Board
of Supervisors of the County of Tulare

By: _____
Deputy Clerk

Approved as to Form
County Counsel

By: Not required pursuant to County Counsel Memo
20082156: Exception No. 3
Deputy County Counsel

CONSULTANT

Date: 1/17/12

By: Gwendy Silver Egnater
Gwendy Silver Egnater
Title: Executive Director

Date: 1/17/12

By: David Scalfani
David Scalfani
Title: Senior Vice President
"CONSULTANT"

Note: Corporations Code Section 313 requires that contracts with a corporation shall be signed by the (1) chairman of the Board, the president or any vice-president and (2) the secretary, any assistant, the chief financial officer, or any assistant treasurer; unless the contract is also accompanied by a certified copy of the Board of Directors resolution authorizing the execution of the contract.