

**REHABILITATION AGREEMENT
FOR
PROJECT LEGACY**

**(4132 University Avenue, 3839-3879 Brockton Avenue, and
4145 9th Street, Riverside, CA 92501)**

by and between the

CITY OF RIVERSIDE,

and

YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT, dba TruEvolution

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ATTACHMENT 8	RELEASE OF CONSTRUCTION COVENANTS

**REHABILITATION AGREEMENT
FOR
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**4132 University Avenue, 3839-3879 Brockton Avenue, and
4145 9th Street, Riverside, CA 92501**

This Rehabilitation Agreement for The Project Legacy ("Agreement") is entered into on this ____ day of _____, 2021, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT dba TruEvolution, Inc., a California nonprofit public benefit corporation, ("TruEvolution"). City and TruEvolution are each a "Party" and collectively the "Parties" under this Agreement.

RECITALS

A. State of California ("State") in its Budget Act of 2021 ("Budget Act"), as amended by Budget Bill Jr. (SB129), Chapter 69, Control section 19.56(b)(211) allocated Ten Million Dollars (\$10,000,000) to the City for TruEvolution's Project Legacy Housing Project ("Project Legacy").

B. In accordance with the Budget Act, the State's Department of Housing and Community Development shall distribute Ten Million Dollars (\$10,000,000) to the City and the City shall use these funds for Project Legacy located at 4132 University Avenue, 3839-3879 Brockton Avenue, and 4145 9th Street, Riverside, CA 92501 ("Site").

C. The Parties desire to enter into this Agreement for the purpose of rehabilitation of the Improvements on the Site to provide transitional housing to 48 residents who are extremely low-income households and one on-site manager's unit in 23 bedrooms, and a community health and justice center on the Site for occupancy and use by extremely low-income households ("Project").

D. TruEvolution is a California nonprofit public benefit corporation and community-based non-profit that advocates for the community to address health disparities and social inequities.

E. The Parties intend that by this Agreement:

(i) TruEvolution will perform the rehabilitation services associated with the Project;
and

(ii) The City will provide Ten Million Dollars (\$10,000,000) in State Funds to

TruEvolution for Project Costs (as defined below) in accordance with this Agreement.

F. The implementation of the Project pursuant to the terms and conditions of this Agreement is in the vital and best interest of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state, and local laws.

NOW, THEREFORE, in consideration of the covenants and conditions set forth herein, Parties agree as follows:

1. DEFINITIONS

1.1 Defined Terms

As used in this Agreement, the following capitalized terms shall have the following meanings:

“Affordable Units” means the forty-eight (48) beds for Extremely Low-Income Households required to be maintained and available to, occupied by, or held vacant for occupancy by Extremely Low-Income Households. Preference shall be given to households as identified in Section 6.1.

“Affordability Period” means the period commencing upon the recordation of the Notice of Completion and terminating on the fifty-fifth (55th) anniversary thereof.

“Agreement” means this Rehabilitation Agreement, including all Attachments hereto and Exhibits thereto, by and among the Parties.

“AMI” or “Area-wide Median Income” means the median family income (adjusted for family size) for Riverside County promulgated and published annually by the California Department of Housing and Community Development (“HCD”) pursuant to Title 25, § 6932 of the California Code of Regulations. If HCD ceases annually to publish median incomes, the Parties will agree upon an adequate substitute manner for determining Area-wide Median Income.

“Bond” means the duly executed surety bond, provided by TruEvolution from the General Contractor as security for the faithful performance of the Agreement, in substantial conformity with the sample bond attached hereto as Attachment No. 6.

“City” means the City of Riverside, a California charter city and municipal corporation.

“City Manager” means the City Manager of the City of Riverside or his/her designated representative.

“Construction Contract” means the construction contract between TruEvolution and the General Contractor, whether at a fixed price or guaranteed maximum cost, for the rehabilitation of the Improvements necessary to complete the Project.

“Effective Date” means the date upon which this Agreement was approved by the City.

“Environmental Laws” means any and all present and future federal, state, and local laws (whether under common law, statute, ordinance, rule, regulation or otherwise), court or administrative orders or decrees, requirements of permits issued with respect thereto, and other requirements of governmental authorities relating to the environment or to any Hazardous Substance or Hazardous Substance Activity (including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. § 9601, et seq.), as heretofore or hereafter amended from time to time (“CERCLA”), and the applicable provisions of the California Health and Safety Code and the California Water Code, and any and all successor statutes and regulations, orders, decrees, guidelines, or pronouncements promulgated thereunder).

“Event of Default” means the failure of a Party to perform any action or covenant required by this Agreement within the time periods provided herein following notice and opportunity to cure, as set forth in Section 9.1.

“Extremely Low-Income Household” means a Household whose aggregate gross income is less than thirty percent (30%) of AMI and qualifies as a “extremely low-income household” pursuant to Health and Safety Code § 50106 or any successor statute. Gross income shall be determined in accordance with § 6914 of Title 25 of the California Code of Regulations.

“General Contractor” means the general contractor hired by TruEvolution to render services under the Construction Contract, who is capable of being bonded and is duly and properly licensed in California.

“Governmental Regulations” means any local, state, and federal laws, ordinances, rules, requirements, resolutions, policy statements and regulations (including, without limitation, those relating to land use, subdivision, zoning, environmental, labor relations, prevailing wage, notification of sale to employees, Hazardous Substance, occupational health and safety, water, earthquake hazard reduction and building and fire codes) bearing on the demolition, alteration, replacement, repair, refurbishing, improvement, construction, maintenance, management, use, or operation of the Project.

“Hazardous Substance” means (i) any chemical, compound, material, mixture or substance that is now or hereafter defined or listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101), as amended from time to time, or now or hereafter otherwise classified or regulated pursuant to any Environmental Laws as a “hazardous substance,” “hazardous material,” “hazardous waste,” “extremely hazardous waste,” “infectious waste,” “toxic substance,” “toxic pollutant” or any other formulation intended to define, list, or classify

substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, or "EP toxicity;" (ii) any asbestos or asbestos containing material; (iii) any polychlorinated biphenyls (PCBs); (iv) any urea formaldehyde; and (v) any petroleum, natural gas, natural gas liquid, liquefied natural gas, synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas), ash produced by a resource recovery facility utilizing a municipal solid waste stream, and drilling fluids, produced waters, and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources. Notwithstanding the foregoing, "Hazardous Substances" shall not include any chemical, compound, material, mixture, or substance used in the normal course of operating an apartment complex, so long as such chemical, compound, material, mixture or substance is used in accordance with Environmental Laws.

"Hazardous Substance Activity" means any actual, proposed, or threatened storage, holding, existence or suspected existence, release or suspected release, emission, discharge, generation, processing, abatement, removal, disposition, treatment, handling, or transportation of any Hazardous Substance from, under, into, on, above, around, or across the Site or surrounding property or any other use of or operation on the Site or the surrounding property that creates a risk of Hazardous Substance contamination of the Site.

"Household" means one or more persons occupying a Unit.

"Improvements" means the rehabilitation of the existing improvements on the Site, including the forty-eight (48) beds that will be occupied by Extremely Low-Income Households, one unrestricted manager's unit, the community center, parking, and other ancillary improvements.

"Manager's Unit" shall mean one (1) unrestricted Unit in the Project reserved for occupancy by the Property Manager.

"Notice" means a notice in the form prescribed by Section 10.1.

"Outside Completion Date" means March 28, 2023.

"Parties" means the City and TruEvolution.

"Predevelopment Costs" means predevelopment expenses which are customarily incurred and shall have been actually incurred by TruEvolution in connection with the Project and shall include, without limitation, the following: architectural, engineering, or related professional services required to prepare plans, specifications, or work write-ups; application, commitment and/or origination fees in connection with construction and/or permanent financing contemplated by this Agreement; security services; land use entitlements and building permits; development fees; utilities fees; property insurance; title and other insurance, legal and accounting fees; tests to determine the condition of the Site; costs of environmental review; development impact fees; property taxes; fees for financial and advisory services and any other appropriate predevelopment.

"Project," as referenced in Recital C and described in Attachment 3, shall mean and include

any rehabilitation activities related to existing improvements on the Site, including, but not limited to, all buildings, structures, fixtures, foundations, excavation, parking, landscaping, underground installations, and other work, construction and improvement of whatsoever character undertaken or constructed on, around, under, or over the Site by TruEvolution for the creation of Improvements which will include 48 beds to be maintained and available to, occupied by, or held vacant for occupancy by Extremely Low-Income Households, one unrestricted manager's unit, and an on-site community health and justice center, as set forth in Section 6, and any other activities undertaken in connection therewith in accordance with all regulations referenced herein.

"Project Budget" means the budget for the Project, attached hereto as Attachment 5.

"Project Costs" means all costs and expenses reasonably approved pursuant to this Agreement which are customarily incurred and shall have been actually incurred by TruEvolution for the development of the Project and shall include, without limitation, the following: construction costs, construction and design fees, architectural and engineering costs and fees (if any); a construction management fee as set forth in the Project Budget; security services; offsite improvements and permits (if any); building permits; utility fees; insurance; legal and accounting fees; tests to determine the condition of the Site; and such other costs, fees, and expenses, as agreed to by the City; provided, however, that payment to Parties related to TruEvolution must not exceed reasonable and customary market rates.

"Project Description" means the description of the Project, attached hereto as Attachment 3.

"Property Manager" means the on-site property manager of the Project who performs substantial duties directly related to the management and/or the maintenance of the Project.

"Rehabilitation Plans" means the detailed plans, specifications, materials, and drawings describing the rehabilitation of the Site.

"Schedule of Performance" means that certain Schedule of Performance attached hereto as Attachment 4 setting out the dates and/or time periods by which certain obligations set forth in this Agreement must be accomplished. The Schedule of Performance is subject to revision from time to time as mutually agreed upon in writing between TruEvolution and the City. The City authorizes the City Manager, or designee, to make such revisions to the Schedule of Performance as he/she deems reasonably necessary to effectuate the purposes of this Agreement.

"Site" means that certain real property referenced in Recital B above as delineated on the Site Plan (Attachment 1) and more particularly described in the Site Legal Description (Attachment 2).

"Site Legal Description" means the description of the Site which is attached hereto as Attachment 2, or as amended pursuant to any future lot line adjustments.

"Site Plan" means the map of the Site and the proposed Project, attached hereto as

Attachment 1.

“State Funds,” as referenced in Recital E(ii), shall mean Ten Million Dollars (\$10,000,000) that TruEvolution receives from the City.

“Unit” means one of the 48 beds required to be maintained and available to, occupied by, or held vacant for occupancy by an Extremely Low-Income Household, plus one unrestricted property manager’s unit.

1.2 Singular and Plural Terms

Any defined term used in the plural herein shall refer to all members of the relevant class and any defined term used in the singular shall refer to any number of the members of the relevant class.

1.3 Accounting Principles

Any accounting term used and not specifically defined herein shall be construed in conformity with and all financial data required to be submitted herein shall be prepared in conformity with generally accepted accounting principles applied on a consistent basis or in accordance with such other principles or methods as are reasonably acceptable to the City.

1.4 References and Other Terms

Any reference to any document shall include such document both as originally executed and as it may from time to time be modified by the Parties through an amendment. References herein to Sections, Attachments, and any Exhibits thereto shall be construed as references to this Agreement unless a different document is named. References to subparagraphs shall be construed as references to the same Section in which the reference appears. The term “document” is used in its broadest sense and encompasses agreements, certificates, opinions, consents, instruments, and other written material of every kind. The terms “including” and “include” mean “including (include), without limitation.”

1.5 Attachments Incorporated

All attachments to this Agreement, as now existing and as the same may from time to time be modified, are incorporated herein by this reference as follows:

ATTACHMENT 1	SITE PLAN
ATTACHMENT 2	SITE LEGAL DESCRIPTION
ATTACHMENT 3	PROJECT DESCRIPTION
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ATTACHMENT 5	PROJECT BUDGET
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ATTACHMENT 7	REGULATORY AGREEMENT

ATTACHMENT 8 RELEASE OF CONSTRUCTION COVENANTS

2. FUNDING

2.1 Sources of Funding

As set forth in the Project Budget, the Parties anticipate that Project Costs will be financed with the State Funds, County of Riverside Homeless Housing, Assistance and Prevention, Housing Opportunities for Persons with AIDS (HOPWA), and American Rescue Plan Act (ARPA) and State Project Homekey totaling Twenty-One Million Nine Hundred Seventy-Eight Thousand Nine Hundred Thirty-Three Dollars (\$21,978,933). The City shall distribute the State Funds to TruEvolution pursuant to the allowable Project Costs identified in the Agreement.

2.2 Method of Payment

(a) Invoicing. The City shall pay TruEvolution in the form of three funding draw requests that itemize all approved costs. TruEvolution shall submit no more than once a month to the City, a certified itemized statement setting forth in detail the expenditures made or incurred with supporting documentation. Supporting documentation must include invoices, receipts, cancelled checks and prevailing wage reports.

(b) Disbursements. The City shall promptly review the expenditure statement and supporting documentation for approved costs in accordance with its usual accounting procedures, but in no event later than ten (10) days. The City may require additional information from TruEvolution as may be necessary and appropriate for the City to make its determination as to allowable costs. The City shall disburse the requested draw requests within ten (10) days after it has received and approved the expenditure statement.

(c) Wire Transfers. To facilitate prompt payment to TruEvolution, the City shall make payments to TruEvolution by electronic means where appropriate, in City's sole discretion. All disbursements shall be recorded by the City and acknowledged by TruEvolution.

2.3 Obligation to Update Project Budget

TruEvolution shall update the Project Budget in the event of a proposed material change to the Project Budget. For purposes of this section, a "material change" shall mean any increase or decrease in excess of One Hundred Thousand Dollars (\$100,000.00) to any line item within the Project Budget. In the event of a proposed material change to the Project Budget, TruEvolution shall notify the City in writing of the nature of the proposed change, including a

detailed description of the effect of such change, and submit a revised *pro forma* Project Budget reflecting such change to the City.

2.4 Notice of Completion

Final payment of all sums invoiced and unpaid, shall be made within thirty-five (35) days after the Project is fully performed and accepted the City files a Notice of Completion, except such sums thereof which are required by law or authorized by the Agreement to be further retained.

3. CONDITIONS PRECEDENT FOR COMMENCEMENT OF WORK

The date of commencement of the Project shall be established in a written Notice to Proceed issued by the City. The City will not issue a Notice to Proceed to TruEvolution until the prior satisfaction by TruEvolution, or waiver by the City, of the following conditions precedent:

3.1 Approved Final Project Budget

TruEvolution shall have submitted to the City for their approval an updated and final *pro forma* and detailed final Project Budget (consistent with the Project Description), and the City shall have approved the final Project Budget in the City's reasonable discretion.

3.2 Environmental Compliance

All Governmental Requirements including all Environmental Laws applicable to the Project, including without limitation, the National Environmental Policy Act of 1969, Public Law 91-190, 42 U.S.C. Sections 4321-4347, as amended, the California Environmental Quality Act, Public Resources Code Section 21000, *et seq.*, as amended, the Clean Air Act, 42 U.S.C. 7401, *et seq.*, as amended, the Federal Water Pollution Control Act, 33 U.S.C. 1251, *et seq.*, as amended, shall have been satisfied if and to the extent such satisfaction is required, subject to any waivers or exemptions under law.

3.3 Approval of Rehabilitation Plans

TruEvolution shall have submitted to the City the Rehabilitation Plans, and the City shall have approved the Rehabilitation Plans as being in substantial conformity with the Project Description, this Agreement, and the City of Riverside Municipal Code ("Riverside Municipal Code"). TruEvolution shall test and abate any to the abatement of asbestos, lead based painting and based paint, and other required Hazardous Substance. TruEvolution acknowledges and agrees that the Rehabilitation Plans shall be subject to the City's normal development services, planning, and building review process, as applicable.

3.4 Building Permits

TruEvolution shall have obtained all Building Permits and other permits required for each phase of the Project, and shall have provided true, correct, and complete copies of all such Building Permits to the City. TruEvolution shall not commence work on that portion of the work until all applicable Building Permits for such work and other permits required have been obtained, with true, correct, and complete copies of such Building Permits delivered to the City. To the extent any decision relating to such permits is a discretionary decision of the City or any of its commission(s), administrator(s) or employee(s), then this Agreement does not, nor shall it be construed to, pre-approve any discretionary decision relating to any Building Permit or other approval necessary to commence and complete the development of the Site.

3.5 Pre-Construction Meeting of General Contractor, City Representative(s), and TruEvolution

TruEvolution shall have attended pre-construction meeting(s) or conference(s), as arranged by the City, among General Contractor, TruEvolution, and the City staff, and relating to the commencement of the rehabilitation, and other issues related to undertaking and completing the rehabilitation in conformity with this Agreement and all applicable local, state, and federal laws.

3.6 Construction Contract

- A. TruEvolution shall have delivered to the City a copy of the Construction Contract. TruEvolution shall verify that the General Contractor is eligible to participate in State and Federal programs. The Construction Contract shall contain a schedule of values in such form as is reasonably satisfactory to the City. All change orders in excess of Fifty Thousand Dollars (\$50,000.00) must be approved by the City within five (5) Business Days. Further, each Construction Contract shall set forth a reasonably detailed schedule for completion of each stage of construction. Notwithstanding the above, the City hereby acknowledges that it has approved the Construction Contract with the General Contractor as of the date of this Agreement.
- B. TruEvolution will ensure that its contractors will certify compliance with: (1) The Unruh Civil Rights Act (Section 51 of the Civil Code), (2) the Fair Housing Employment and Housing Act (Section 12960 of the Government Code), (3) nondiscrimination program requirements (Gov. Code §12990(a-f) and CCR, Title 2, Section 11102), and the Drug-Free Workplace Act of 1990 by taking the following actions:
 - 1. Drug-Free Workplace Requirements
 - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free

- workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and
 - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the Project will:
- 1) receive a copy of the company's drug-free workplace policy statement; and
 - 2) agree to abide by the terms of the company's statement as condition of employment on the Agreement:

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and contractor may be ineligible for future award of any future state agreements if the State and/or city determines that any of the following has occurred: the contractor has made false certification or violated the certification by failing to carry out the requirements as noted above. (Gov Code §8350, *et seq.*)

2. National Labor Relations Board Certification: The contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against contractor within the immediately preceding two-year period because of contractor's failure to comply with an order of a Federal court, which orders contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code§10296) (Not applicable to public entities.)

3. Contracts for Legal Services \$50,000 or More - Pro Bono Requirements: The contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

The contractor must agree to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full-time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services and may be taken into account when determining the award of future contracts with the State for legal services.

4. EXPATRIATE CORPORATIONS: The contractor must declare that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1 and is eligible to

contract with the State of California.

5. SWEATFREE CODE OF CONDUCT:

- a. All contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.
 - b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).
6. DOMESTIC PARTNERS: For contracts of \$100,000 or more, the contract must certify that the contractor is in compliance with Public Contract Code section 10295.3.
7. GENDER IDENTITY: For contracts of \$100,000 or more, the contractor must certify that the contractor is in compliance with Public Contract Code section 10295.35.
8. If TruEvolution's contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the contractors must certify that such policies are not used in violation of the Unruh Civil Rights Act or the Fair Employment and Housing Act.

The City's approval of the Construction Contract shall not constitute a waiver by the City of any breach or violation of this Agreement that is a result of acts that are or purport to be in compliance with or in furtherance of said Construction Contract.

3.7 Insurance

TruEvolution shall have secured and submitted proof of (and shall thereafter maintain without interruption until the completion of the Project), through the City's insurance portal at <https://riversideca.gov/COIportal>, such commercial general and automobile liability insurance as shall protect TruEvolution, its General Contractor and subcontractors (together with the General Contractor collectively referred to as "Subcontractors" for purposes of this Section 3.7) and the Additional Insureds from any and all claims for damages for personal injury, including accidental death, as well as any and all claims for property damage which may arise from or which may concern operations under the Agreement, whether such operations be by or on behalf of TruEvolution, any Subcontractor or anyone directly or indirectly employed by, connected with or acting for or on behalf of any of them.

3.7.1 Carrier Ratings

All liability insurance shall be issued by an insurance company or companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger.

3.7.2 Minimum Limits

TruEvolution shall maintain minimum limits of insurance as follows:

(a) Commercial General Liability. TruEvolution's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence, an aggregate limit for products/completed operations in the amount not less than \$2,000,000.

(b) Automobile Liability Insurance. TruEvolution's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of TruEvolution's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with TruEvolution's performance of this Agreement, which vehicles shall include, but are not limited to, TruEvolution-owned vehicles, TruEvolution-leased vehicles, TruEvolution's employee vehicles, non- TruEvolution-owned vehicles and hired vehicles.

(c) Installation Floater Insurance. TruEvolution shall obtain, at its own expense, and keep in effect during the term of this Agreement, Installation Floater insurance for coverage of labor, materials, and equipment to be used for completion of the work performed under this Agreement. The minimum amount of coverage to be carried shall be equal to the full amount of the TruEvolution's labor, equipment, materials, or fixtures to be installed, in transit, or stored off-site or on-site during the performance of this Agreement. The policy shall include as loss payee, the City of Riverside, TruEvolution, and its Subcontractors, as their interest may appear.

The City shall not be responsible for the theft of any materials, equipment, or uninstalled fixtures in the possession and control of TruEvolution.

3.7.3 Notice of Cancellation and Renewals

The policies shall not be cancelled unless thirty (30) days' prior written notification of intended cancellation has been given to the City by certified or registered mail (this obligation may be satisfied in the alternative by requiring such notice to be provided by TruEvolution's insurance broker and set forth on its Certificate of Insurance provided to the City). TruEvolution agrees that upon receipt of any notice of cancellation or alteration of the policies, TruEvolution shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. TruEvolution shall furnish to the City copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

3.7.4 All Coverages

The insurance policy or policies shall also comply with the following provisions:

(a) Policies shall include premises/operations, products completed operations, independent contractors, owners and contractors' protection, explosion, collapse, underground hazard, broad form contractual, personal injury with employment exclusion deleted, and broad form property damage.

(b) The policy shall be endorsed to waive any right of subrogation against the City, and the subconsultants, employees, officers, agents, and directors of each.

(c) If policies are written on a "claims made" basis, the certificate should so specify, and the policy must continue in force for five (5) years after completion of the Project. The retroactive date of the coverage must also be listed.

(d) The policy shall specify that the insurance provided by TruEvolution will be considered primary and not contributory to any other insurance available to the City of Riverside. TruEvolution shall provide Form No. CG 20010413 to the City.

(e) All policies of insurance shall name the City as an Additional Insured and shall contain the following language: "Solely with respect to work done by and on behalf of the named insured for the City of Riverside, it is agreed that the City of Riverside, and its officers and employees, are added as additional insureds under this policy."

3.7.5 Certificates of Insurance

Additional Insured Endorsements and Deductibles. Prior to execution of the Agreement, and thereafter upon the City's request, TruEvolution shall furnish the City with original certificates of insurance and additional insured endorsements setting forth evidence of all

insurance coverage required by this Article. Each certificate and endorsement is to be signed by a person authorized by that insurer to bind coverage on its behalf. The City of Riverside, its City Council and all of its respective officials, officers, directors, employees, managers, commission members, representatives, agents and council members, and all of its respective officials, officers, directors, employees, managers, board members, representatives, and agents shall be named as additional insureds (“Additional Insureds”) under each policy.

3.7.6 TruEvolution’s Failure to Provide Required Insurance

Failure to maintain required insurance at all times shall constitute a default and material breach. In such event, TruEvolution shall immediately notify the City and cease all performance under this Agreement until further directed by the City. In the absence of satisfactory insurance coverage, the City may, at its discretion and sole option: (a) procure insurance with collection rights for premiums, attorneys’ fees and costs against TruEvolution by way of set-off or recoupment from sums due TruEvolution; (b) immediately terminate or suspend TruEvolution’s performance of the Agreement; (c) pay TruEvolution’s premiums for renewal of TruEvolution’s coverage; or (d) self-insure the risk, with all damages and costs incurred, by judgment, settlement or otherwise, including attorneys’ fees and costs, being collectible from TruEvolution, by way of set-off or recoupment from any sums due TruEvolution. Upon demand, TruEvolution shall repay the City for all sums that the City paid to obtain, renew, reinstate or replace the insurance, or the City may offset the cost against any monies that the City may owe TruEvolution.

3.7.7 Verification of Coverage

The City shall have the right to obtain complete and certified copies of TruEvolution’s and Subcontractors’ insurance policies (including, but not limited to, the declarations page, form list and riders), endorsements or certificates required, upon request (including, but not limited to, the declarations page, form list and riders).

3.7.8 Reassessment of Insurance Requirements

At any time during the duration of this Agreement, the City may require that TruEvolution obtain, pay for, and maintain more or less insurance depending on the City’s assessment of any one or more of the following factors: (1) the City’s risk of liability or exposure arising out of, or in any way connected with, TruEvolution’s services under this Agreement; (2) the nature or number of accidents, claims or lawsuits arising out of, or in any way connected with, TruEvolution’s services under this Agreement; or (3) the availability or affordability, or both, of increased liability insurance coverage.

3.7.9 TruEvolution’s Insurance for Other Losses

TruEvolution and its Subcontractors of every tier shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, TruEvolution’s (or Subcontractors’) employee-owned tools, machinery, equipment or motor vehicles owned or rented by TruEvolution or TruEvolution’s agents, suppliers or Subcontractors, as well as to any temporary structures,

scaffolding and protective fences.

3.7.10 No Limitation

TruEvolution's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of TruEvolution or its Subcontractors of any tier to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

3.7.11 Subcontractors' Insurance

TruEvolution shall ensure that included in all subcontracts, including the Construction Contract, is a requirement that the Subcontractors of every tier shall obtain and maintain, at a minimum, all insurance required by this Agreement, except that the limits of liability and deductibles shall be in amounts determined by TruEvolution, based on the degree of hazardous exposure according to the work performed by each Subcontractor and the size of each subcontract. TruEvolution shall ensure that any professional engineer retained on its behalf to provide supplemental plans and engineering calculations required in conjunction with the work, maintains professional liability insurance during the entire term of this Agreement. Such insurance shall be in the minimum amount of \$1,000,000 to protect the City from claims resulting from the engineer(s) activities. This minimum amount of coverage shall not constitute any limitation or cap on TruEvolution's indemnification obligations set forth herein. The City reserves the right to request certificates of insurance from TruEvolution for each Subcontractor. TruEvolution acknowledges that regardless of insurance obtained by its Subcontractors, TruEvolution will be responsible to the City for any and all acts of its Subcontractors.

3.7.12 Workers' Compensation Insurance

(a) Workers' Compensation Insurance Certificate. By executing this Agreement, TruEvolution certifies that TruEvolution is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation or to undertake self-insurance before commencing any of the work. TruEvolution shall comply with Labor Code Section 1861 by signing and filing the workers' compensation certification provided by the City.

(b) Evidence of Coverage. TruEvolution shall file with the City either: (1) a certificate of insurance or self-insurance evidencing that such insurance is in effect or that TruEvolution is self-insured for such coverage; or (2) a certified statement that TruEvolution has no employees and acknowledging that if TruEvolution does employ any person, the necessary certificate of insurance will immediately be filed with the City. Any Certificate filed with the City shall provide that the City shall be given ten (10) days' prior written notice before modification or cancellation thereof.

(c) Carrier Rating. TruEvolution's workers' compensation insurance carrier shall be authorized to transact insurance business in the State of California with a policy holder's

rating of A or higher and a Financial Class of VII or larger.

(d) Subcontractor Workers' Compensation Insurance. TruEvolution shall require each of its Subcontractors to obtain and maintain for the duration of this Agreement, complete workers' compensation insurance, meeting or exceeding the coverages and amounts that California law requires.

3.8 Performance Bond

TruEvolution shall have furnished to the City from the General Contractor a duly executed surety bond as security for the faithful performance of this Agreement. The bond shall be in the amount of the Construction Contract and shall be subscribed by an Admitted Surety Insurer which is authorized to transact surety insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger. Should any bond or surety become insufficient, TruEvolution shall furnish the City a new bond within ten (10) days after receiving notice from the City. No payments will be due or paid under the Agreement until any and all bond deficiencies have been remedied.

3.9 Recordation

The City shall have recorded, and Developer confirmed, the recordation (if previously recorded) of the Regulatory Agreement prior to the commencement of development of the Site.

4. INDEMNITY

To the full extent permitted by law, TruEvolution shall indemnify, defend and hold harmless the City, and any and all of its employees, officials, officers, and agents (the Indemnitees) from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, interest or defense costs, including expert witness fees), where the same arise out of, are a consequence of, or are in any attributable to, in whole or in part, to: (i) TruEvolution's compliance with or failure to comply with all applicable laws, including all applicable federal and state labor standards, including, without limitation, the requirements of Labor Code § 1720 and the Davis Bacon Act; (ii) defects in the design of the Project, including (without limitation) the violation of any laws, and for defects in any work done according to the approved plans; or (iii) any other performance or act or failure to perform or act pursuant to this Agreement by TruEvolution, or by any individual or entity that TruEvolution shall bear the legal liability thereof, including, but not limited to, officers, agents, employees or contractors of TruEvolution.

Without affecting the rights of Indemnitees under any provisions of this Agreement, TruEvolution shall not be required to indemnify and hold harmless Indemnitees for liability attributable to the active negligence of Indemnitees, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where Indemnitees are shown to have been actively negligent and where Indemnitees'

active negligence accounts for only a percentage of the liability involved, the obligation of TruEvolution will be for that entire portion or percentage of liability not attributable to the active negligence of Indemnitees.

Failure of Indemnitees to monitor compliance with these requirements imposes no additional obligations on Indemnitees and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend Indemnitees as set forth herein is binding on the successors, assigns or heirs of TruEvolution and shall survive the termination of this Agreement.

This indemnification provision supplements and in no way limits the scope of the indemnification set out elsewhere in this Agreement. The indemnity obligation of TruEvolution under this Section shall survive the expiration or termination, for any reason, of this Agreement; excluded, however, from this Section 4 is any indemnity by TruEvolution in favor of the City for claims arising from Hazardous Substances on the Site, except for Hazardous Substances introduced onto the Site by TruEvolution.

5. PERFORMANCE OF THE WORK

5.1 Completion of Project

Parties acknowledge that the State Standard Agreement necessitates completion of the Project in the most expeditious manner possible. TruEvolution shall complete the Project not later than the Outside Completion Date, subject to force majeure provisions as provided in Section 10.6 of this Agreement and any agreed upon changes to the Schedule of Performance as provide in this Agreement.

5.2 Liens and Stop Notices

TruEvolution shall not allow to be placed on the Site or any part thereof any lien or stop notice. If a claim of a lien or stop notice is given or recorded affecting the Project, TruEvolution shall within thirty (30) days of such recording or service or within five (5) days of the City's demand, whichever last occurs:

- (a) pay and discharge the same; or
- (b) effect the release thereof by recording and delivering to the City a surety bond in sufficient form and amount or otherwise; or
- (c) provide such other assurances which the City deems, in their sole discretion, to be satisfactory for the payment of such lien or bonded stop notice and for the full and continuous protection of the City from the effect of such lien or bonded stop notice.

5.3 Rehabilitation Plans

5.3.1 Revisions

If TruEvolution desires to propose any substantial revisions or changes in excess of \$50,000 to the approved Rehabilitation Plans, it shall submit such proposed changes to the City's Building and Safety Division. Any such change proposed in the approved Rehabilitation Plans may be disapproved by the City's Building and Safety Division through the City in the City's sole and reasonable discretion.

5.3.2 Defects in Plan

The City shall not be responsible to TruEvolution or to any third parties in any way for any defects in the Rehabilitation Plans, or for any structural or other defects in any work done according to the approved Rehabilitation Plans or for any delays reasonably caused by the review and approval processes. TruEvolution shall hold harmless, indemnify, and defend the Indemnitees from and against any claims or suits for damages to property or injuries to persons (including death) arising out of or in any way relating to defects, latent or patent, in the Rehabilitation Plans, or the actual construction work or other improvements comprising the development and the Site, including, without limitation, the violation of any laws or arising out of or in any way relating to any defects in any work done and/or improvements completed according to the approved Rehabilitation Plans.

5.3.3 Change Orders

TruEvolution shall submit all proposed change orders exceeding Fifty-Thousand Dollars (\$50,000) (including change orders proposed by TruEvolution and any contractor) to the City for the City's approval, disapproval, or conditional approval, which shall be in the City's sole and absolute discretion.

5.4 Eligible Expenses

Except as otherwise limited by this Agreement, the State Funds shall be used exclusively to cover Eligible Expenses in completing the Project.

5.5 Rights of Access

The City shall have the right of access to the Site, without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the Project to ensure the work is completed in accordance with the Rehabilitation Plan and to monitor the progress of the work. While conducting such inspections, the City representatives shall comply with all safety rules.

6. AFFORDABLE HOUSING RESTRICTIONS

6.1 Affordability Requirements

The Affordable Units shall be subject to the requirements of this Section 6, for a period of fifty-five (55) years.

6.2 Participant/Occupant Selection Covenants

6.2.1 Selection of Occupants

TruEvolution shall be responsible for the selection of occupants for the Affordable Units in compliance with lawful and reasonable criteria. Notwithstanding anything to the contrary in this Agreement, TruEvolution's selection of occupant households to occupy the Affordable Units shall be performed in accordance with all applicable fair housing laws.

6.2.2 Income and Occupancy Restrictions

As included in the annual income certification provided or as otherwise reasonably requested by the City, TruEvolution shall endeavor to make available for City's review and approval such information as TruEvolution has reviewed and considered in its selection process, together with the statement by TruEvolution that TruEvolution has determined that each selected occupant will comply with all applicable terms and conditions of this Agreement in each occupant's occupancy of an Affordable Unit, including, without limitation, that each corresponding household satisfies the income eligibility requirements, and other requirements of this Agreement.

In this regard, TruEvolution covenants and agrees that: (i) each occupant of an Affordable Unit shall and will be an Extremely Low-Income Household as defined herein; and (ii) the occupancy and use of the Site shall comply with all other covenants and obligations of this Agreement (collectively, "Occupant Selection Covenants"). TruEvolution acknowledges and agrees that the occupant selected to occupy one of the Units shall not be charged any rent for such occupancy.

6.3 Income Certification Requirements

Upon the initial occupancy of the Affordable Units, and annually thereafter (on or before March 31st of each year), TruEvolution shall submit to the City, a written summary of the income, household size by each of the occupants of the Affordable Units. TruEvolution shall also provide to the City completed income computation, asset evaluation, and certification forms for any such occupant or occupants. TruEvolution shall obtain, or shall cause to be obtained, an annual certification from each household occupying an Affordable Unit demonstrating that such household is an Extremely Low-Income Household and meets the eligibility requirements established for the Affordable Unit. TruEvolution shall verify, or shall cause to be verified, the income certification of each occupant household.

6.3.1 Verification of Income of New and Continuing Occupants

TruEvolution shall verify the income and information provided in the income certification of the proposed occupant and shall verify the income of each proposed occupant of the Affordable Units by at least one the following methods as appropriate to the proposed occupant:

(a) obtain two (2) paycheck stubs from the person's two (2) most recent pay periods.

(b) obtain a true copy of an income tax return from the person for the most recent tax year in which a return was filed.

(c) obtain an income verification certification from the employer of the person.

(d) obtain an income verification certification from the Social Security Administration and/or the California Department of Social Services if the person receives assistance from such agencies.

(e) obtain an alternate form of income verification reasonably requested by the City, if none of the above forms of verification is available to TruEvolution.

6.4 [RESERVED]

6.5 [RESERVED]

6.6 [RESERVED]

6.7 General Maintenance

TruEvolution shall maintain the Site and all improvements thereon, including lighting and signage, in good condition, free of debris, waste and graffiti, and in compliance with the Riverside Municipal Code. TruEvolution shall maintain the improvements and landscaping on the Site in accordance with the Maintenance Standards (as hereinafter defined). Such Maintenance Standards shall apply to all buildings, signage, lighting, landscaping, irrigation of landscaping, architectural elements identifying the Site and any and all other improvements on the Site. To accomplish the maintenance, TruEvolution shall either staff or contract with and hire licensed and qualified personnel to perform the maintenance work, including the provision of labor, equipment,

materials, support facilities, and any and all other items necessary to comply with the requirements of this Agreement. TruEvolution and its maintenance staff, contractors or subcontractors shall comply with the following standards (collectively, "Maintenance Standards"):

(a) The Site shall be maintained in conformance and in compliance with the approved Rehabilitation Plans, as finalized, and reasonable maintenance standards for comparable first quality affordable housing projects, including, but not limited to, painting and cleaning of all exterior surfaces and other exterior facades comprising all private improvements and public improvements to the curblin. The Site shall be maintained in good condition and in accordance with the custom and practice generally applicable to comparable first quality affordable apartment complexes in the City.

(b) Landscape maintenance shall include, but not be limited to: watering/irrigation; fertilization; mowing; edging; trimming of grass; tree and shrub pruning; trimming and shaping of trees and shrubs to maintain a healthy, natural appearance and safe road conditions and visibility, and irrigation coverage; replacement, as needed, of all plant materials; control of weeds in all planters, shrubs, lawns, ground covers, or other planted areas; and staking for support of trees.

(c) Clean-up maintenance shall include, but not be limited to: maintenance of all sidewalks, paths and other paved areas in clean and weed-free condition; maintenance of all such areas clear of dirt, mud, trash, debris or other matter which is unsafe or unsightly; removal of all trash, litter and other debris from improvements and landscaping prior to mowing; clearance and cleaning of all areas maintained prior to the end of the day on which the maintenance operations are performed to ensure that all cuttings, weeds, leaves, and other debris are properly disposed of by maintenance workers.

7. COMPLIANCE WITH LAWS AND REGULATIONS

7.1 General Compliance with Miscellaneous State Mandates

In the construction, use and operation of the Project, TruEvolution shall comply with all Governmental Regulations, and the statutes, regulations and Executive Orders set forth in Section 7.2, as well as any other federal, state, and local laws and regulations.

A. CONFLICT OF INTEREST:

1. GENERAL. No member, officer or employee of the City, or its designees or agents, no member of the governing body of the City, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the City during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the State Funds, and TruEvolution, as developer, shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision

prohibiting such interest pursuant to the purposes of the certification.

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

2. CURRENT STATE EMPLOYEES (Pub. Contract Code §10410):

- a. No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- b. No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

3. FORMER STATE EMPLOYEES (Pub. Contract Code §10411):

- a. For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- b. For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

B. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor

affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

C. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

D. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

E. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA

1. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

2. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

3. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

F. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

G. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

H. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

I. STATE PREVAILING WAGE. Consultant and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages

determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination is available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and is referred to and made a part hereof; the wage rates therein ascertained, determined, and specified are referred to and made a part hereof as though fully set forth herein.

J. PUBLIC CONTRACT CODE SECTIONS 2202-2208.

Prior to bidding on, submitting a proposal or executing a contract or renewal for a State of California contract for goods or services of \$1,000,000 or more, a vendor must either:

a) certify it is not on the current list of persons engaged in investment activities in Iran created by the California Department of General Services ("DGS") pursuant to Public Contract Code section 2203(b) and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that other person will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS; or

b) demonstrate it has been exempted from the certification requirement for that solicitation or contract pursuant to Public Contract Code section 2203(c) or (d). The DGS list of entities prohibited from contracting with public entities in California per the Iranian Contracting Act, 2010, can be found at: Department of General Services Procurement Division Iran Contracting Act List (<https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/List-of-Ineligible-Businesses#@ViewBag.JumpTo>).

7.2 Compliance with additional laws and regulations

A. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and implementing regulations issued at 24 CFR Part 1; Title VIII of the Civil Rights Act of 1968 (P.L. 90-284) as amended; Section 109 of the Housing and Community Development Act of 1974, as amended, and the regulations issued pursuant thereto; Section 3 of the Housing and Urban Development Act of 1968, as amended; Executive Order 11246, as amended by Executive Orders 11375 and 12086, and implementing regulations at 41 CFR Chapter 60; Executive Order 11063, as amended by Executive Order 12259, and implementing regulations at 24 CFR Part 107.

B. Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), as amended, and implementing regulations.

C. The Age Discrimination Act of 1975 (P.L. 94-135), as amended, and implementing regulations.

D. The relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and the implementing regulations at 24 CFR Part 42.

E. The Lead-Based Paint Poisoning Act (42 U.S.C. § 1821-4846), the Residential Lead-Based Paint Hazard Act of 1992 (42 U.S.C. § 4800, *et seq.*, specifically §§ 4821-4846, and 4851-4956) and the regulations of 24 CFR Part 35; and any additional implementing regulations to the above.

F. Americans with Disabilities Act (42 U.S.C. 12101 *et seq.*, 12131; 47 U.S.C. 155, 201, 218 and 255) which protects the comprehensive civil rights of individuals with disabilities.

G. Air or water Pollution Violation: Pursuant to State laws, TruEvolution and its contractors shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

7.3 Certification Regarding Lobbying

TruEvolution certifies that:

(a) No State appropriated funds have been paid or will be paid, by or on behalf of the undersigned to any person for influencing or attempting to influence an officer or employee of an agency, a Member of the State Legislature, an officer or employee of the State, or an employee of a Member of the State Legislature in connection with the awarding of any State contract, the making of any State grant, the making of any State loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement; and

(b) If any funds, other than federally appropriated funds, have been paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of the State Legislature, an officer or employee of the State, or an employee of a Member of the State Legislature in connection with this State contract, grant, loan or cooperative agreement, the undersigned shall complete and submit all necessary lobbying disclosure documents with the Secretary of State in accordance with the California Political Reform Act.

7.4 Religious Activity

TruEvolution represents that it is not, and may not be deemed to be, a religious or denominational institution or organization, or an organization operated for religious purposes, which is supervised or controlled by or in connection with a religious or denominational institution or organization; and agrees that, in connection with the Project, it will not discriminate against any employee or applicant for employment to persons on the basis of religion and will not limit

employment or give preference in employment on the basis of religion; it will not discriminate against any person applying for housing on the basis of religion and will not limit such services or give preference to persons on the basis of religion; it will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence on or in the Project; and the common portion of the Site shall contain no sectarian or religious symbols or decorations.

7.5 Duty to Prevent Release of Hazardous Substances

During the rehabilitation of the Site, TruEvolution shall take all necessary precautions to prevent the release of any Hazardous Substances (with particular regard to any asbestos or asbestos-containing materials, or lead-based paint or other lead containing products) into the environment or onto or under the Site. Such precautions shall include compliance with all Environmental Laws with respect to Hazardous Substances. In addition, TruEvolution shall install and utilize such equipment and implement and adhere to such procedures as are consistent with applicable Environmental Laws and then-prevailing industry standards as respects the disclosure, storage, use, abatement, removal and disposal of Hazardous Substances.

7.6 Nondisclosure of Confidential Occupant Information.

To the extent allowed by law, the Borrower and the City agree to maintain the confidentiality of any information regarding Occupants or applicants for residency under this Project, or their immediate families, pursuant to this Agreement, which may be obtained through application forms, interviews, tests, reports, from public agencies or counselors, or any other source. Without the written permission of the applicant, such information shall be divulged only as necessary for purposes related to the performance or evaluation of the services and work to be provided pursuant to this Agreement, and then only to persons having responsibilities under the Agreement, including those furnishing services under the Project through subcontracts.

8. RECORDS AND REPORTS

8.1 Records

TruEvolution shall maintain financial, programmatic, statistical, and other supporting records of its operations and financial activities, including, but not limited to, documentation of all State Funds received from the City or other sources to complete the Project, documentation of expenses identified in the Budget, and any other related records as City may require from time to time. Such records shall be retained for a period five (5) years after termination of this Agreement or after final disposition of all pending matters. "Pending matters" include, but are not limited to, an audit, litigation or other actions involving records.

8.2 Reports

TruEvolution shall provide the City with monthly reports, beginning thirty (30) days after the Effective Date and a closeout report within thirty (30) days upon completion of

Project, as well as any other reports as the City may reasonably require. Such reports shall identify the Eligible Expenses paid from the State Funds and the balance of the State Funds that have not been spent.

8.3 Inspection of Records

The City, and their respective officers or designees, have the right at all reasonable times, and upon reasonable advance notice of not less than 48 hours, to inspect the books and records and other related documents of TruEvolution pertaining to the satisfaction of their obligations hereunder as reasonably necessary for purposes of enforcing the provisions of this Agreement. Such books, records and related documents shall be maintained by TruEvolution at locations as agreed by the parties. Throughout the term of this Agreement, TruEvolution shall submit to the City reasonable written progress reports as and when reasonably requested by the City on all matters pertaining to the Project of the Site.

9. DEFAULTS, REMEDIES AND TERMINATION

9.1 Defaults – General

Failure or delay by any Party to perform, comply with or observe any of the conditions, provisions, terms, covenants or representations of this Agreement, including any of the Attachments hereto, constitutes a default under this Agreement. As provided hereinbelow, the Party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay and shall complete such cure, correction or remedy with diligence. The injured Party shall give written notice of default to the Party in default, specifying the default complained of by the injured Party. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the date of default.

Except as required to protect against further damages, the injured Party may not institute legal proceedings against the party in default until an “Event of Default” (as such term is hereinafter defined) has occurred. For purposes of this Agreement, an “Event of Default” for purposes of instituting legal proceedings by a non-defaulting Party against the defaulting Party shall mean a failure to satisfy, perform, comply with or observe any of the conditions, provisions, terms, covenants or representations contained in this Agreement, including any Attachment hereto, and such failure having continued uncured or without the defaulting party commencing to diligently cure for five (5) days after notice thereof in writing is mailed by the injured party to the defaulting party; provided, however, that if such event of default cannot be cured within such five (5) day period and TruEvolution has diligently commenced efforts to cure, TruEvolution shall have such reasonable time to diligently prosecute such cure to completion. If a different period or notice requirement is specified for any particular default under any other provision of this Agreement, including any of the Attachments hereto, the specific provision shall control.

9.2 Legal Actions, Applicable Law, Interpretation, Venue, Service of Process, Rights and Remedies, Waiver, Specific Performance

(a) Institution of Legal Actions

In addition to any other rights or remedies and subject to the restrictions otherwise set forth in this Agreement, any Party may institute an action at law or equity to cure, correct or remedy any Event of Default, to recover damages as provided herein for any Event of Default or to obtain any other remedy consistent with the purpose of this Agreement.

(b) Applicable Law and Interpretation

The laws of the State of California shall govern the interpretation and enforcement of this Agreement. This Agreement shall be construed as a whole and in accordance with its fair meaning and as though both of the parties participated equally in its drafting. Captions and organizations are for convenience only and shall not be used in construing meaning.

(c) Venue

Venue for legal actions shall be in the Superior Court of the State of California - County of Riverside.

(d) Acceptance of Service of Process

In the event that any legal action is commenced by TruEvolution against the City, service of process on the City shall be made by personal service upon the City's Clerk or in such other manner as may be provided by law. In the event that any legal action is commenced by the City against TruEvolution, service of process on TruEvolution shall be made by personal service upon any owner, general partner, officer or manager of TruEvolution or in such other manner as may be provided by law, whether made within or without the State of California.

(e) Rights and Remedies are Cumulative

To the extent permitted by law and except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same Event of Default or any other Event of Default by the other Party.

(f) Inaction Not a Waiver of Default

Any failures or delays by any Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive either such party of its right to institute and maintain any actions or proceedings which it may

deem necessary to protect, assert or enforce any such rights or remedies.

(g) Specific Performance

Upon an Event of Default, the non-defaulting Party, at its option, may thereafter (but not before) commence an action seeking specific performance and/or other equitable relief to enforce the terms of this Agreement pertaining to such default.

9.3 [RESERVED]

9.4 Limitation on Damages

Without limiting the generality of the foregoing, the Parties shall not in any event be entitled to, and the Parties hereby waive, any right to seek consequential damages of any kind or nature from any other Party or Parties arising out of or in connection with this Agreement, and in connection with such waiver, the Parties are familiar with and hereby waive the provision of § 1542 of the California Civil Code, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

10. GENERAL PROVISIONS

10.1 Notices, Demands and Communications Between the Parties

Unless otherwise specified in this Agreement, it shall be sufficient service or giving of any notice, request, certificate, demand, or other communication if the same is sent by (and all notices required to be given by mail will be given by) first-class registered or certified mail, postage prepaid, return receipt requested, or by private courier service which provides evidence of delivery. Unless a different address is given by any party as provided in this Section, all such communications will be addressed as follows:

To TruEvolution: Young Scholars for Academic Empowerment, dba
TruEvolution
Attn: Chief Executive Officer
4175 Brockton Avenue
Riverside, CA 92501

Copy to: Young Scholars for Academic Empowerment, dba
TruEvolution

Attn: Chief Legal Officer & General Counsel
4175 Brockton Avenue
Riverside, CA 92501

To City: City of Riverside
Attn: City Manager
3900 Main Street
Riverside, CA 92522

Copy to: City of Riverside
Office of the City Attorney
3750 University Ave., Suite 250
Riverside, CA 92501

Any Notice shall be deemed received immediately if delivered by hand and shall be deemed received on the third (3rd) day from the date it is postmarked if delivered by registered or certified mail.

10.2 Conflicts of Interest by TruEvolution

No member, official or employee of TruEvolution shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to the Agreement which is prohibited by law.

10.3 Warranty Against Payment of Consideration of Agreement

TruEvolution warrants that it has not paid or given and will not pay or give, any third person any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services, such as project managers, architects, engineers, attorneys, and public relations consultants.

10.4 Nonliability of City Officials and Employees

No member, official, employee, representative or agent of the City shall be personally liable to TruEvolution, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to TruEvolution or successor, or on any obligation under the terms of this Agreement.

10.5 Approval by Parties

Approvals required of the Parties shall be given within the time set forth in the Schedule of Performance or, if no time is given, within a reasonable time. Wherever this Agreement requires the Parties to approve any contract, document, plan, proposal, specification,

drawing or other matter, such approval shall not be unreasonably withheld or delayed. In the event that a Party declines to approve any contract, document, plan, proposal, specification, drawing or other matter, such denial shall be in writing and shall include the reasons for such denial. The Party considering the request for such approval shall use commercially reasonable efforts to respond to such request for approval within fifteen (15) days of receipt, unless expressly provided to the contrary herein.

10.6 Plans and Data

Subject to the rights of other funders or other government agencies providing financial assistance to the Project, if this Agreement is terminated, the City shall have the right, but not the obligation, to purchase from TruEvolution all plans, drawings, studies and related documents concerning the Project within TruEvolution's possession and control, without representation or warranty. The purchase price for all or any part of such materials shall be their cost to TruEvolution, less amounts already disbursed to TruEvolution from the State Funds for such purposes.

10.7 Force Majeure

In addition to specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes, lock-outs; riots; floods; earthquakes, fires; casualties, acts of God or any other deity; acts of the public enemy; epidemics; pandemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation, including litigation challenging the validity of this transaction or any element thereof, including the acquisition of the Site, or any portion thereof; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or suppliers; acts of another party; acts or failure to act of any other public or governmental agency or entity; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform or relief from default, including, without limitation, the allocation of City revenues to the State of California by a legislative act to fund deficits in the state budget. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by mutual agreement among the Parties.

10.8 Mutual Cooperation

Each party agrees to act in good faith and cooperate with the other in this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful or appropriate to carry out the purposes and intent of this Agreement.

10.9 Grand Openings

To ensure proper protocol and recognition of the City Council, TruEvolution shall

cooperate with City staff in the organization of any Project-related groundbreaking, grand openings, or any other such inaugural events/ceremonies celebrating the development which is the subject of this Agreement.

10.10 Independent Contractor

The parties agree that TruEvolution, in the performance of this Agreement, shall act as and be an independent contractor and shall not act in the capacity of an agent, employee or partner of the City.

11. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

11.1 Entire Agreement.

This Agreement includes thirty-six (36) pages and Attachments 1 through 8 as described below, which constitute the entire understanding and agreement of the Parties.

ATTACHMENT 1	SITE PLAN
ATTACHMENT 2	SITE LEGAL DESCRIPTION
ATTACHMENT 3	PROJECT DESCRIPTION
ATTACHMENT 4	SCHEDULE OF PERFORMANCE
ATTACHMENT 5	PROJECT BUDGET
ATTACHMENT 6	BOND
ATTACHMENT 7	REGULATORY AGREEMENT
ATTACHMENT 8	RELEASE OF CONSTRUCTION COVENANTS

Except as otherwise provided herein, this Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

11.2 Counterpart Signatures

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all counterparts taken together shall constitute one and the same instrument.

11.3 Digital or Facsimile Signatures

In the event that any signature is delivered by facsimile or digital signature as defined by the California Government Code § 16.5 and the Regulations of the Secretary of State found in the California Code of Regulations § 2200 *et seq.*, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as though such facsimile or digital signature page were an original wet ink signature thereof.

11.4 Waivers

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Parties.

11.5 Amendments

All amendments hereto must be in writing and signed by the appropriate authorities of the Parties.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

IN WITNESS WHEREOF, the Parties have signed this Agreement as of the date set opposite their signatures.

Dated: Jan 11, 2022


“TRUEVOLUTION”

YOUNG SCHOLARS FOR ACADEMIC
EMPOWERMENT, dba
TRUEVOLUTION, a California nonprofit
public benefit corporation

By: 
Gabriel Maldonado (Jan 11, 2022 11:00 PST)

Name: Gabriel Maldonado

Its: Chief Executive Officer

By: 

Name: Brandon Brown

Its: Chair of Board of Directors

“CITY”

Dated: _____

THE CITY OF RIVERSIDE, a California
charter city and municipal corporation

By: _____
City Manager

Attest:

By: _____
City Clerk

Approved as to Form:

Certified as to availability of funds:

By: 
Rosemary Koo (Jan 12, 2022 17:25 PST)
Senior Deputy City Attorney 21-1355.1

By: 
Chief Financial Officer/Treasurer

ATTACHMENT 1

SITE PLAN

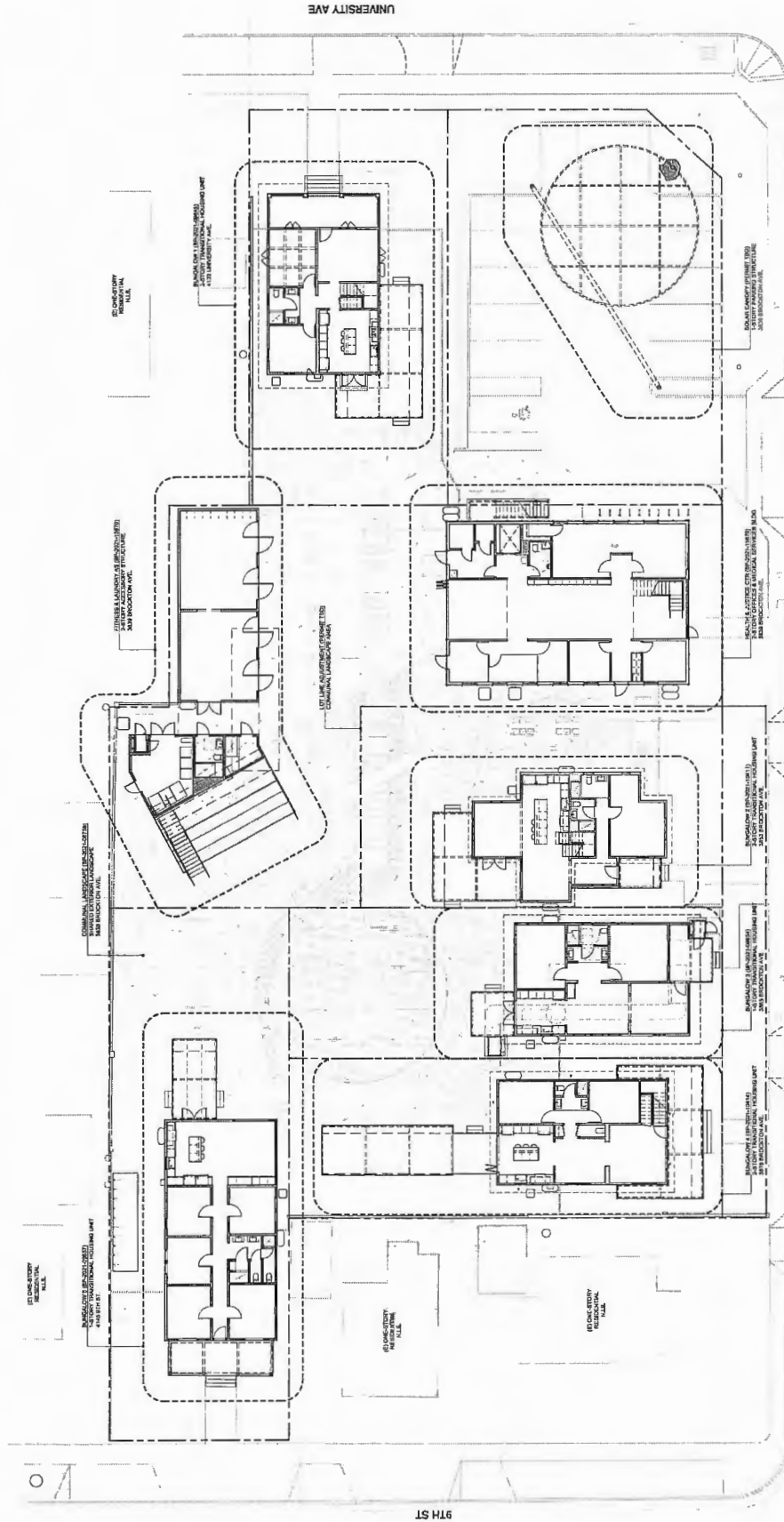


NOT FOR CONSTRUCTION
This drawing is a preliminary design and is not intended for construction. It is for informational purposes only. The design is subject to change without notice. The client is responsible for obtaining all necessary permits and approvals. The architect is not responsible for the construction of the project.

27% of Construction Schedule
27% of 2018 Maryland Population
27% of 2018 Maryland Population
27% of 2018 Maryland Population



DATE: 10/1/2018
DRAWN BY: HAW
CHECKED BY: HAW



ATTACHMENT 2

SITE LEGAL DESCRIPTION

LEGAL DESCRIPTIONS

PARCEL 1 – APN 214-292-005:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THE REAL PROPERTY IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS BEGINNING AT A POINT ON THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 80 FEET WESTERLY FROM THE NORTHEASTERLY CORNER OF BLOCK 8, RANGE 11, TOWN OF RIVERSIDE, AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY;

THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET;

THENCE AT A RIGHT ANGLE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET TO THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE);

THENCE EASTERLY, ON SAID SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

PARCEL 2 – APN 214-292-022:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

BEING A PORTION OF BLOCK 8, RANGE 11, OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, AND PURSUANT TO CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT RECORDED DECEMBER 7, 2007 AS INSTRUMENT NO. 2007-0733731, BOTH OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE; THENCE SOUTH 29°00'00" WEST ALONG THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) AS SHOWN ON PARCEL MAP 7811 BY MAP RECORDED IN BOOK 25 OF PARCEL MAPS AT PAGE 67, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 98.00 FEET TO THE MOST EASTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED JULY 7, 1961 AS INSTRUMENT NO. 58133, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET) AS SHOWN ON SAID PARCEL MAP 7811, A DISTANCE OF 11.00 FEET TO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED OCTOBER 29, 1982 AS INSTRUMENT NO. 188647, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 29°00'00" WEST, ALONG THE NORTHWESTERLY LINE OF SAID DEED TO THE CITY OF RIVERSIDE, RECORDED OCTOBER 29, 1982, A DISTANCE OF 50.00 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO OWEN C. LOCKE ET UX., BY DEED RECORDED FEBRUARY 8, 1958 AS INSTRUMENT NO. 12203, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 139.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON STREET (FORMERLY WALNUT STREET), A DISTANCE OF 50.00 FEET;

THENCE SOUTH 60°55'45" EAST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 70.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET), A DISTANCE OF 98.00 FEET;

THENCE SOUTH 60°55'45" EAST, ALONG THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT DISTANT NORTH 60°55'45" WEST, A DISTANCE OF 30.02 FEET MEASURED ALONG THE SOUTHERLY LINE OF SAID UNIVERSITY AVENUE (FORMERLY 8TH STREET) FROM THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 19°08'18" EAST, A DISTANCE OF 25.54 FEET TO A LINE PARALLEL WITH AND 44.00 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID BROCKTON AVENUE (FORMERLY WALNUT STREET);

THENCE SOUTH 29°00'00" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 130.98 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO SAID OWEN C. LOCKE ET UX., BEING THE TERMINATION OF SAID LINE DESCRIPTION.

PARCEL 3 – APN 214-292-008:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS BY METES AND BOUNDS BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET NORTHERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8;

THENCE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET;

THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

PARCEL 4 – APN 214-292-009:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING ON THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 94.6 FEET NORTHERLY OF THE SOUTHEAST CORNER OF SAID BLOCK 8, RANGE 11 OF TOWN OF RIVERSIDE;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE NORTHERLY AT A RIGHT ANGLE AND PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 37.4 FEET;

THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET; THENCE SOUTHERLY 37.4 FEET TO THE POINT OF BEGINNING.

FOR PARCEL 5 – APN 214-292-010:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF BLOCK 8 OF RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 55 FEET NORTHERLY FROM THE SOUTHEAST CORNER OF SAID BLOCK 8;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET;

THENCE AT A RIGHT ANGLE EASTERLY PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET TO THE POINT OF BEGINNING.

PARCEL 6 – APN 214-292-013:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:
THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP RECORDED IN BOOK 7 PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF NINTH STREET, 120 FEET WESTERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA;

THENCE AT A RIGHT ANGLE NORTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 45 FEET;

THENCE AT A RIGHT ANGLE SOUTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET TO THE NORTHERLY LINE OF NINTH STREET;

THENCE EASTERLY ALONG THE NORTHERLY LINE OF NINTH STREET, 45 FEET TO THE POINT OF BEGINNING.

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

Curtis C. Stephens 1/7/22 Prep. CS
Curtis C. Stephens, L.S. 7519 Date



ATTACHMENT 3

PROJECT DESCRIPTION

TruEvolution will complete rehabilitation of real property located at 4132 University Avenue, 3839-3879 Brockton Avenue, and 4145 9th Street, Riverside, CA 92501 (the “Property”). Five of the properties are single-family residences and will be renovated and used as transitional housing to provide 48 beds to Extremely Low-Income Households and one unrestricted manager’s unit. One commercial building will be renovated for an on-site community Health and Justice Center which will accommodate TruEvolution’s offices and provide wraparound services to the campus’ residents and community. The accessory garage structure behind the existing commercial building will be renovated as part of the project to provide a gym and laundry space to serve the occupants of the transitional housing bungalows and individuals using the Health and Justice Center facility.

ATTACHMENT 4

SCHEDULE OF PERFORMANCE



TRUEVOLUTION
H E A L T H & J U S T I C E

Project Legacy Construction Phases

Phase 1

Timeframe of Construction Completion date: August 10, 2022

Area Included:

Bungalow 1-4132 University Avenue, Riverside, CA 92501

Bungalow 5-4145 9th Street, Riverside, CA 92501

Phase 2

Timeframe of Construction Completion date: October 20, 2022

Area Included:

Bungalow 2- 3853 Brockton Avenue, Riverside, CA 92501

Bungalow 3- 3865 Brockton Avenue, Riverside, CA 92501

Bungalow 4-3879 Brockton Avenue, Riverside, CA 92501

Phase 3

Timeframe of Construction Completion date: May 28, 2023

Area Included:

Commercial Structure (Health & Justice Center) 3839 Brockton Ave, Riverside, CA 92501

Gym, Stadium Bleachers, Laundry Area

Recreational Park Area

ATTACHMENT 5

PROPOSED PROJECT BUDGET

Sources of Funds

HCD Homekey	\$4,052,457.00		
County Cares	\$1,900,000.00		
CA State Allocation	\$10,000,000.00		
HHAP	\$634,498.16		
HOPWA	\$1,000,000.00		
Deferred Developer Fee	\$778,000.00		
ARPA	\$3,613,978.00		
Total Sources	\$21,978,933.16		

Uses of Funds	Vendor	COST (Budget)	Fund Source
Acquisition Costs			
Purchase price		\$ 3,504,837	
Pre Development			
Pre Construction		\$ 171,955	
Soft Costs			
Soft Costs Towards Construcion		\$ 5,479,613	
Hard Costs			
Construction Costs		\$ 12,822,528	
TOTAL Project Costs			
	TOTAL BUDGET	\$ 21,978,933	

ATTACHMENT 6

BOND

AIA® Document A312™ – 2010

Performance Bond

CONTRACTOR:

(Name, legal status and address)

GB CONSTRUCTION, INC. dba
GOLDEN BEAR CONSTRUCTION
18032 LEMON DRIVE, SUITE C-344
YORBA LINDA, CA 92886

OWNER:

(Name, legal status and address)

YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT dba TruEvolution, Inc.
4164 BROCKTON AVE., SUITE A.
RIVERSIDE, CA 92501

CONSTRUCTION CONTRACT

Date: TBD

Amount: \$12,822,527.00

Description: PROJECT LEGACY

(Name and location) 4231 UNIVERSITY AVE. (LOT 1) 3879 BROCKTON AVE (LOT 5)
3839 BROCKTON AVE. (LOT 2) 4145 9TH STREET (LOT 6)
3853 BROCKTON AVE. (LOT 3) RIVERSIDE, CA 92501
3865 BROCKTON AVE. (LOT 4)

BOND

Date: TBD

(Not earlier than Construction Contract Date)

Amount: \$12,822,527.00

Modifications to this Bond: ☐ None ☒ See Section 16

CONTRACTOR AS PRINCIPAL

Company: (Corporate Seal)

GB CONSTRUCTION, INC.

SURETY

Company: (Corporate Seal)

UNITED STATES FIRE INSURANCE COMPANY

Signature: _____

Name

and Title:

(Any additional signatures appear on the last page of this Performance Bond.)

Signature: _____

Name

and Title:

KEVIN VEGA, ATTORNEY-IN-FACT

(FOR INFORMATION ONLY – Name, address and telephone)

AGENT or BROKER:

C&D BONDING & INSURANCE SERVICES
534 E. BADILLO ST.
COVINA, CA 91723
626-859-1001

OWNER'S REPRESENTATIVE:

(Architect, Engineer or other party:)

NICK HOPSON, AIA PARTNER
HOPSON RODSTROM DESIGN WORKSHOP S-CORP
4917 YORK BLVD.
LOS ANGELES, CA 90041

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

AIA Document A312-2010 combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after

- .1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;
- .2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
- .3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

§ 4 Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

§ 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§ 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

§ 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

§ 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

§ 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- .1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
- .2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

§ 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§ 7 If the Surety elects to act under Section 5.1, 5.2 or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication, for

- .1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
- .2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
- .3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

§ 8 If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.

§ 9 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.

§ 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

§ 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 14 Definitions

§ 14.1 **Balance of the Contract Price.** The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 14.2 **Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

§ 14.3 **Contractor Default.** Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

§ 14.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 14.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

§ 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this bond are as follows: MULTIPLE OBLIGEE BOND RIDER ATTACHED

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company:

(Corporate Seal)

Company:

(Corporate Seal)

Signature: _____

Name and Title: _____

Address _____

Signature: _____

Name and Title: _____

Address _____

CAUTION: You should sign an original AIA Contract Document, on which this text appears in RED. An original assures that changes will not be obscured.

EXECUTED IN 1 ORIGINAL COUNTERPARTS

MULTIPLE OBLIGEE RIDER
(To be attached to Bond at time of issuance)

TO BE ATTACHED TO AND FORM PART OF Bond No.6131034612 dated concurrently with the execution of this Rider, by UNITED STATES FIRE INSURANCE COMPANY, as Surety, on TBD behalf of: GB CONSTRUCTION, INC. dba GOLDEN BEAR CONSTRUCTION as Principal, and in favor of YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT dba TruEvolution, Inc.

IT IS HEREBY UNDERSTOOD AND AGREED that the attached Bond is hereby amended to include the following:

ADD: CITY OF RIVERSIDE

ADD: COUNTY OF RIVERSIDE

ADD: HOUSING AUTHORITY FOR THE COUNTY OF RIVERSIDE

AS AN ADDITIONAL OBLIGEE

Notwithstanding anything contained herein to the contrary, there shall be no liability on the part of the Principal or Surety under this Bond to the Obligees, or any of them, unless the Obligees, or any of them, shall make payments to the Principal, or to the Surety in case it arranges for completion of the Contract upon default of the Principal, strictly * in accordance with the terms of said Contract as to payments, and shall perform all the other obligations required to be performed under said Contract at the time and in the manner therein set forth.

In no event shall the liability of the Principal and the Surety to the Obligee, or any of them, in the aggregate, exceed the penal sum stated in the attached Bond.

IT IS FURTHER UNDERSTOOD AND AGREED that nothing contained in this Rider shall be held to change, alter or vary the terms of the attached Bond except as set forth hereinabove. In the event of a conflict between the Bond and this Rider, the parties agree that this Rider shall govern and control. All references to the Bond, either in the Bond or in this Rider, shall include and refer to the Bond as supplemented and amended by this Rider. Except as provided by this Rider, all other terms and conditions of the Bond remain in full force and effect.

This Rider may be executed in two or more counterparts, each of which shall be deemed an original, but which together shall constitute one and some instrument.

SIGNED, SEALED AND DATED this DECEMBER 1ST, 2021
PRINCIPAL:

SURETY: UNITED STATES FIRE INSURANCE COMPANY

**GB CONSTRUCTION, INC. dba GOLDEN BEAR
CONSTRUCTION**

Signature: _____

Signature: _____
Attorney-in-Fact KEVIN VEGA

Name and Title:

Agreed to and accepted by:

OBLIGEE: TruEvolution, Inc.

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

OBLIGEE: CITY OF RIVERSIDE

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

OBLIGEE: COUNTY OF RIVERSIDE

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

OBLIGEE: HOUSING AUTHORITY FOR THE COUNTY OF RIVERSIDE

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

AIA® Document A312™ – 2010

Payment Bond

CONTRACTOR:

(Name, legal status and address)

GB CONSTRUCTION, INC. dba
GOLDEN BEAR CONSTRUCTION
4611 PROSPECT AVE.
YORBA LINDA, CA 92886

OWNER:

(Name, legal status and address)

YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT dba TruEvolution, Inc.
4164 BROCKTON AVE. SUITE A
RIVERSIDE, CA 92501

CONSTRUCTION CONTRACT

Date: TBD

Amount: \$12,822,527.00

Description: PROJECT LEGACY

(Name and location) 4231 UNIVERSITY AVE. (LOT 1)
3839 BROCKTON AVE. (LOT 2)
3853 BROCKTON AVE. (LOT 3)
3865 BROCKTON AVE. (LOT 4)

SURETY:

(Name, legal status and principal place
of business)

UNITED STATES FIRE INSURANCE COMPANY
305 MADISON AVE.
MORRISTOWN, NJ 07962

This document has important legal
consequences. Consultation with
an attorney is encouraged with
respect to its completion or
modification.

Any singular reference to
Contractor, Surety, Owner or
other party shall be considered
plural where applicable.

AIA Document A312-2010
combines two separate bonds, a
Performance Bond and a
Payment Bond, into one form.
This is not a single combined
Performance and Payment Bond.

BOND

Date: TBD

(Not earlier than Construction Contract Date)

Amount: \$12,822,527.00

Modifications to this Bond: ☐ None ☒ See Section 18

CONTRACTOR AS PRINCIPAL

Company: (Corporate Seal)

GB CONSTRUCTION, INC.

SURETY

Company: (Corporate Seal)

UNITED STATES FIRE INSURANCE COMPANY

Signature: _____

Name

and Title:

(Any additional signatures appear on the last page of this Payment Bond.)

Signature: _____

Name

and Title: KEVIN VEGA, ATTORNEY-in-FACT

(FOR INFORMATION ONLY — Name, address and telephone)

AGENT or BROKER:

C&D BONDING & INSURANCE SERVICES
534 E. BADILLO ST.
COVINA, CA 91723
626-859-1000

OWNER'S REPRESENTATIVE:

(Architect, Engineer or other party:)

NICK HOPSON, AIA PARTNER
HOPSON RODSTROM DESIGN WORKSHOP S-CORP
4917 YORK BLVD.
LOS ANGELES, CA 90041

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

- .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
- .2 have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

§ 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.

§ 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 13 Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

§ 14 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 15 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 16 Definitions

§ 16.1 Claim. A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

§ 16.2 Claimant. An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

§ 16.3 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

§ 16.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 16.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.

§ 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 18 Modifications to this bond are as follows: MULTIPLE OBLIGEE RIDER ATTACHED

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company:

(Corporate Seal)

Company:

(Corporate Seal)

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

Address _____

Address _____

CAUTION: You should sign an original AIA Contract Document, on which this text appears in RED. An original assures that changes will not be obscured.

EXECUTED IN 1 ORIGINAL COUNTERPARTS

MULTIPLE OBLIGEE RIDER
(To be attached to Bond at time of issuance)

TO BE ATTACHED TO AND FORM PART OF Bond No.6131034612 dated concurrently with the execution of this

Rider, by UNITED STATES FIRE INSURANCE COMPANY, as Surety, on TBD

behalf of: GB CONSTRUCTION, INC. dba GOLDEN BEAR CONSTRUCTION

as Principal, and in favor of YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT dba TruEvolution, Inc.

IT IS HEREBY UNDERSTOOD AND AGREED that the attached Bond is hereby amended to include the following:

ADD: CITY OF RIVERSIDE

ADD: COUNTY OF RIVERSIDE

ADD: HOUSING AUTHORITY FOR THE COUNTY OF RIVERSIDE

AS AN ADDITIONAL OBLIGEE

Notwithstanding anything contained herein to the contrary, there shall be no liability on the part of the Principal or Surety under this Bond to the Obligees, or any of them, unless the Obligees, or any of them, shall make payments to the Principal, or to the Surety in case it arranges for completion of the Contract upon default of the Principal, strictly * in accordance with the terms of said Contract as to payments, and shall perform all the other obligations required to be performed under said Contract at the time and in the manner therein set forth.

In no event shall the liability of the Principal and the Surety to the Obligee, or any of them, in the aggregate, exceed the penal sum stated in the attached Bond.

IT IS FURTHER UNDERSTOOD AND AGREED that nothing contained in this Rider shall be held to change, alter or vary the terms of the attached Bond except as set forth hereinabove. In the event of a conflict between the Bond and this Rider, the parties agree that this Rider shall govern and control. All references to the Bond, either in the Bond or in this Rider, shall include and refer to the Bond as supplemented and amended by this Rider. Except as provided by this Rider, all other terms and conditions of the Bond remain in full force and effect.

This Rider may be executed in two or more counterparts, each of which shall be deemed an original, but which together shall constitute one and some instrument.

SIGNED, SEALED AND DATED this DECEMBER 1ST, 2021
PRINCIPAL:

SURETY: UNITED STATES FIRE INSURANCE COMPANY

**GB CONSTRUCTION, INC. dba GOLDEN BEAR
CONSTRUCTION**

Signature: _____

Signature: _____
Attorney-in-Fact KEVIN VEGA

Name and Title:

Agreed to and accepted by:

OBLIGEE: TruEvolution, Inc.

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

OBLIGEE: CITY OF RIVERSIDE

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

OBLIGEE: COUNTY OF RIVERSIDE

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

OBLIGEE: HOUSING AUTHORITY FOR THE COUNTY OF RIVERSIDE

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

ATTACHMENT 7

REGULATORY AGREEMENT

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)

City of Riverside)
3900 Main Street)
Riverside, CA 92522)
Attn: City Manager)

Project: **PROJECT LEGACY**)

(Space above for Recorder's Use Only)
This document is exempt from the payment of a recording fee
pursuant to Government Code Section 27383.

REGULATORY AGREEMENT

THIS REGULATORY AGREEMENT ("*Regulatory Agreement*") is entered into the ____ day of _____, 2022 ("*Effective Date*"), by and between the CITY OF RIVERSIDE, a charter city and municipal corporation ("*City*") and YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT, doing business as TRUEEVOLUTION, INC., a California nonprofit public benefit corporation, ("*Developer*").

RECITALS

Capitalized terms used in these recitals and not otherwise defined shall have the meaning set forth in Section 1 of this Regulatory Agreement.

- A. The City is a charter city and municipal corporation within the State of California.
- B. Young Scholars for Academic Empowerment, dba TruEvolution ("*Developer*"), is experienced in operating HIV Care and prevention services, emergency housing, and behavioral health clinic, therapy and support groups affordable housing developer.
- C. State of California ("*State*") in its Budget Act of 2021 ("*Budget Act*"), as amended by Budget Bill Jr. (SB129), Chapter 69, Control section 19.56(b)(211) allocated Ten Million Dollars (\$10,000,000) to the City for TruEvolution's Project Legacy Housing Project ("*Project Legacy*").
- D. In accordance with the Budget Act, the State's Department of Housing and Community Development shall distribute Ten Million Dollars (\$10,000,000) to the City and the City shall use these funds for Project Legacy located at 4132 University Avenue, 3839-3879 Brockton Avenue, and 4145 9th Street, Riverside, CA 92501 ("*Site*").
- E. Through the Rehabilitation Agreement, the City will provide Ten Million Dollars (\$10,000,000) in State Funds to TruEvolution for Project Costs in accordance with the Agreement.

F. In furtherance of the City's affordable housing goals and activities, City and Developer have entered into that certain Rehabilitation Agreement dated substantially concurrent herewith ("*Rehabilitation Agreement*"), which is incorporated herein by this reference and a copy of which is on file as a public record of the City at its offices located at 3900 Main Street, Riverside, CA 92522. Pursuant to the Rehabilitation Agreement, the City has agreed to provide a State pass-through grant ("*Grant*") to Developer in connection with the acquisition and development of the Site ("*Project*") that is legally described in Exhibit "A," attached hereto and incorporated herein by reference ("*Property*").

G. As a condition to the disbursement of the City's pass-through grant, the Developer has agreed to rehabilitate the Project and provide forty-eight (48) beds (Affordable Units) and one unrestricted manager's unit in the Project in accordance with certain covenants, conditions, and restrictions. This Regulatory Agreement is intended to ensure that Developer shall use, maintain, and operate the Property in accordance with the terms and conditions of this Regulatory Agreement, including that the property be rented to Qualified Households as specified herein ("*Affordable Units*") during the Affordability Period of fifty-five years.

H. The provision of the grant to Developer and the completion, operation, and rental of the Affordable Units of the Project pursuant to the terms and conditions of the Rehabilitation Agreement and this Regulatory Agreement are in the vital and best interest of the City and the health, safety and welfare of its residents, and are in accord with the public purposes and provisions of applicable state and local laws, including (without limitation) the City's Regional Housing Needs Allocation ("*RHNA*").

NOW, THEREFORE, the foregoing recitals are a substantive part of this Regulatory Agreement and in consideration of their mutual covenants and conditions, the Parties hereto agree as follows:

DEFINITIONS

The following terms of this Regulatory Agreement shall have the meanings set forth below. Any capitalized terms not defined below shall have the meaning set forth therefor in the Rehabilitation Agreement and attachments thereto:

"Affordability Period" means the period commencing upon the recordation of the Release of Construction Covenants and terminating on the fifty-fifth (55th) anniversary thereof.

"Affordable Program Guidelines" shall mean the guidelines which outline the affordable program requirements, which may include but are not limited to borrower qualifications, City and Developer grant amount limits and terms, any regulatory statutes, and related documents which may include but are not limited to prequalification worksheet and program application.

"Affordable Unit" means one of the 48 beds required to be maintained and available to, occupied by, or held vacant for occupancy by a Extremely Low-Income Household.

"Agreement" means this Regulatory Agreement, including all Attachments and Exhibits hereto,

by and among the Parties.

“*Area Median Income*” or “*AMI*” shall mean the median family income (adjusted for family size) for Riverside County as annually published by the Department of Housing and Community Development pursuant to California Health and Safety Code Section 50093, or the most closely related successor thereto.

“*Area Median Income adjusted for household size appropriate for the unit*” shall mean the Area Median Income for a household of four persons for a three-bedroom Affordable Unit, and five persons for a four-bedroom Affordable Unit.

“*Bond*” means the duly executed surety bond, provided by Developer from the General Contractor as security for the faithful performance of the Agreement, in substantial conformity with the sample bond attached as Attachment No. 6 to the Rehabilitation Agreement.

“*City*” means the City of Riverside, a California charter city and municipal corporation.

“*City Manager*” means the City Manager of the City or his/her designated representative.

“*Developer*” means Young Scholars for Academic Empowerment dba TruEvolution, Inc., a California nonprofit corporation.

“*Effective Date*” means the date upon which this Agreement was approved by the City.

“*Environmental Laws*” means any and all present and future federal, state and local laws (whether under common law, statute, ordinance, rule, regulation or otherwise), court or administrative orders or decrees, requirements of permits issued with respect thereto, and other requirements of governmental authorities relating to the environment or to any Hazardous Substance or Hazardous Substance Activity (including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§ 9601, *et seq.*), as heretofore or hereafter amended from time to time (“*CERCLA*”), and the applicable provisions of the California Health and Safety Code and the California Water Code, and any and all successor statutes and regulations, orders, decrees, guidelines, or pronouncements promulgated thereunder).

“*Event of Default*” means the failure of a party to perform any action or covenant required by this Regulatory Agreement within the time periods provided herein following notice and opportunity to cure.

“*Extremely Low-Income Household*” means a Household whose aggregate gross income is less than thirty percent (30%) of AMI and qualifies as a “extremely low-income household” pursuant to Health and Safety Code §§ 50053, 50106 or any successor statute. Gross income shall be determined in accordance with § 6914 of Title 25 of the California Code of Regulations.

“*Governmental Regulations*” means any applicable local, state, and federal laws, ordinances, rules, requirements, resolutions, policy statements and regulations (including, without limitation, those relating to land use, subdivision, zoning, environmental, labor relations, prevailing wage,

notification of sale to employees, Hazardous Substance, occupational health and safety, water, earthquake hazard reduction and building and fire codes) bearing on the demolition, alteration, replacement, repair, refurbishing, rehabilitation, improvement, construction, maintenance, management, use, or operation of the Project.

“Hazardous Substance” means (i) any chemical, compound, material, mixture, or substance that is now or hereafter defined or listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101), as amended from time to time, or now or hereafter otherwise classified or regulated pursuant to any Environmental Laws as a “hazardous substance,” “hazardous material,” “hazardous waste,” “extremely hazardous waste,” “infectious waste,” “toxic substance,” “toxic pollutant” or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, or “EP toxicity,” (ii) any asbestos or asbestos containing material, (iii) any polychlorinated biphenyls (PCB’s), (iv) any urea formaldehyde, and (v) any petroleum, natural gas, natural gas liquid, liquefied natural gas, synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas), ash produced by a resource recovery facility utilizing a municipal solid waste stream, and drilling fluids, produced waters, and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources. Notwithstanding the foregoing, “Hazardous Substances” shall not include any household cleaning supplies, chemical, compound, material, mixture or substance used in the normal course of the use and maintenance of a housing development, so long as such household cleaning supplies, chemical, compound, material, mixture or substance is used in accordance with Environmental Laws and is stored in reasonable quantities.

“Hazardous Substance Contamination” means contamination (whether presently existing or hereafter occurring) of the improvements, facilities, soil, groundwater, air, or other elements on, in or of the Site by Hazardous Substance, or the contamination of the buildings, facilities, soil, groundwater, air or other elements on, in or of any other property as a result of Hazardous Substance at any time (whether before or after the Effective Date) emanating from the Site.

“Improvements” shall mean and include any construction, demolition, remediation and grading done on the Site, as well as all buildings, structures, fixtures, foundations, excavation, parking, landscaping, underground installations, and other work, construction and improvement of whatsoever character undertaken or constructed on, around, under or over the Site by the Developer.

“Marketing Plan” is defined in Section 5.A. of this Regulatory Agreement.

“Parties” City and Developer.

“Project” as referenced in Recital F and described in Exhibit “B”, shall mean and include any rehabilitation activities related to the Site, as well as all buildings, structures, fixtures, foundations, excavation, parking, landscaping, underground installations, and other work, construction and improvement of whatsoever character undertaken or constructed on, around, under, or over the Site by TruEvolution for the rehabilitation of five (5) structures to provide 48 beds to be maintained and available to, occupied by, or held vacant for occupancy by an Extremely Low-Income

Household, one unrestricted manager's unit, and an on-site community health and justice center, as set forth in Section 6, and any other activities undertaken in connection therewith in accordance with all regulations referenced herein.

"*Property*" is legally described in Exhibit "A," attached hereto and incorporated herein by reference.

"*Property Manager*" means the manager of the Project.

"*Qualified Household*" or "*Qualified Extremely Low-Income Household*" means a Household whose gross annual income does not exceed the extremely low-income (30% of AMI) limits for Riverside County, adjusted for family size, as set forth from time to time by regulation of the California Department of Housing and Community Development.

"*Rehabilitation Agreement*" means that certain Rehabilitation Agreement dated substantially _____, 202__, entered into by, and between, the City and Developer. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Rehabilitation Agreement.

"*Site*" means that certain real property referenced in Recital D above as delineated on the Site Plan (Attachment No. 1 to the Rehabilitation Agreement) and more particularly described in the Site Legal Description (Exhibit A), or as amended pursuant to any future lot line adjustments.

"*Unit*" means one of the 48 beds to be maintained and available to, occupied by, or held vacant for occupancy by an Extremely Low-Income Household, and one unrestricted manager's unit.

USE RESTRICTIONS

A. **Permitted Uses.** Developer covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Site or any part thereof, that Developer, and such successors and assigns, occupy the Affordable Unit as a Qualified Household.

During the Affordability Period, all uses undertaken by Developer on the Site shall conform to this Regulatory Agreement and to all applicable provisions of the Riverside Municipal Code and Governmental Regulations. The Affordable Unit shall at no time be utilized as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, assisted living home, sober living home, nursing home, sanitarium, or rest home.

B. **Affordable Housing.** Developer covenants and agrees that will only provide an Affordable Unit to a Qualified Household in accordance with the provisions of this Regulatory Agreement and the Rehabilitation Agreement.

C. **Income Requirements.** Developer shall, upon request by City, complete such certification on forms provided by the City. Developer shall collect and submit such income certification for proof of eligibility and such additional information as may be required in the future

by City. Such supporting documentation shall include true copies of income tax returns from the occupant for the most recent tax year in which a return was filed and at least one of the following:

- (1) two (2) paycheck stubs from the occupant's two (2) most recent pay periods;
- (2) an income verification certification from the occupant's employer;
- (3) an income verification certification from the Social Security Administration and/or the California Department of Social Services if the borrower receives assistance from such agencies, or
- (4) an alternate form of income verification reasonably requested by City if none of the above forms of verification is available to Developer.

(5) Increases in Occupant Income. A Unit shall qualify as an Affordable Unit as required by this Regulatory Agreement despite a temporary noncompliance with this Section D, if the noncompliance is caused by increases in the incomes of existing occupants and if actions satisfactory to the City are being taken to ensure that all vacancies are filled in accordance with this Section until the noncompliance is corrected. A Qualified Extremely Low-Income Household that qualifies as a Qualified Extremely Low-Income Household prior to occupancy of an Affordable Unit shall be deemed to continue to be so qualified until such time as recertification of such Qualified Extremely Low-Income Household's income demonstrates that such Qualified Extremely Low-Income Household no longer qualifies as a Qualified Extremely Low-Income Household.

D. **[RESERVED]**

E. **[RESERVED]**

F. **[RESERVED]**

G. **[RESERVED]**

H. **[RESERVED]**

I. **Compliance with Use and Occupancy Laws.** The Developer agrees that for each lease, the Developer shall comply with all applicable state and local laws, statutes, ordinances, rules and regulations, which in any way restrict the use and occupancy and resale of the Site.

J. **Nondiscrimination.** There shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, age, sex, sexual orientation, genetic information gender, gender identity, gender expression, marital status, national origin, ancestry, physical disability, mental disability, medical condition, or military and veteran status in the sale, leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any Unit nor shall the Developer establish or permit any such practice or practices of discrimination or segregation with reference to the location, subtenants, or vendees of any Unit or in connection with the employment of persons for the operation and management of the Site. All deeds, rental agreements, leases, or contracts made or entered into by the Developer as to the Units or the Site or portion thereof, shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(1) In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, age, sex, sexual orientation, genetic information, gender, gender identity, gender expression, marital status, national origin, ancestry, physical disability, mental disability, medical condition, or military and veteran status in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees in the land herein conveyed. The foregoing covenants shall run with the land.”

(2) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

“There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, age, sex, sexual orientation, genetic information, gender, gender identity, gender expression, marital status, national origin, ancestry, physical disability, mental disability, medical condition, or military and veteran status in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subleases, subtenants or vendees in the premises herein leased.”

(3) In contracts: “There shall be no discrimination against or segregation of, any person, or group of persons on of race, color, creed, religion, age, sex, sexual orientation, genetic information, gender, gender identity, gender expression, marital status, national origin, ancestry, physical disability, mental disability, medical condition, or military and veteran status in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy by qualified extremely low-income households, tenants, lessees, subtenants, sublessees, or vendees of the premises.”

The covenants established in this Regulatory Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of City, its successors, and assigns, City and any successor in interest to the Site, or any part thereof. The nondiscrimination covenants shall remain in effect in perpetuity.

K. No Nuisance. The Developer shall not maintain, cause to be maintained, or allow to be maintained on or about the Site any public or private nuisance, including, without limitation, the conduct of criminal activities set forth in the nuisance abatement provisions of the Uniform Controlled Substances Act (Health & Safety Code Section 11570, *et seq.*) as currently exists or as

may be amended from time to time, or the Street Terrorism Enforcement and Prevention Act (Penal Code Section 186.22, *et seq.*), as currently exists or as may be amended from time to time.

L. **No Hazardous Material Activity.** Developer shall not engage in any Hazardous Material Activity and shall comply with all Governmental Regulations in connection with the construction and operation of the Project.

In addition, Developer shall take all necessary precautions to prevent the release into the environment of any Hazardous Material which are located in, on, or under the Site. Such precautions shall include compliance with all Governmental Regulations with respect to Hazardous Substance. In addition, Developer shall install and utilize such equipment and implement and adhere to such procedures as are consistent with commercially reasonable standards as respects the disclosure, storage, use, removal, and disposal of Hazardous Substance. Notwithstanding the foregoing, this Regulatory Agreement shall not prohibit the use of such products in quantities as are customarily used in the construction, maintenance, rehabilitation, or management of residential developments or associated buildings and grounds, or used in residential activities in a manner typical of other comparable residential developments, or substances commonly ingested by a significant population living within the Project including without limitation alcohol, aspirin, tobacco, and saccharine.

OPERATION AND MANAGEMENT OF PROJECT

A. **Compliance with Agreement.** The Developer shall comply with all the terms and provisions of the Rehabilitation Agreement and all applicable Governmental Regulations.

B. **Taxes and Assessments.** The Developer shall pay all real and personal property taxes, assessments and charges and all franchise, income, employment, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the portion of the Property; provided, however, that the Developer shall have the right to contest in good faith, any such taxes, assessments, or charges.

C. **Operation and Management.** The Developer shall manage, operate and maintain the Project in first class condition and in accordance with professional property management standards for similar properties in the Southern California area and shall maintain or cause to be maintained the interior and exterior of the Unit in a decent, safe and sanitary manner. The Unit shall be maintained in accordance with the requirements of the City's Municipal Code and all applicable Governmental Regulations.

D. The parties acknowledge that the City is interested in the long-term management and operation of the Project and in the qualifications of any person or entity retained by the Developer for that purpose ("Property Manager"), including the Developer as Property Manager. The Developer shall submit to the City plans for the operation and management of the property and the program which describes the participant or occupant selection process, a security system and crime prevention program, the procedures for monitoring of occupancy levels, the procedures for terminating the occupancy in the Affordable Unit, the rules and regulations of the

Project and manner of enforcement, and other material matters relevant to the management of the Project. Notwithstanding the foregoing, the City hereby acknowledges that it has received a copy of Developer's Property Management Agreement entered into with its Property Manager setting forth the operation and management of the Property as of the date of this Agreement.

E. **[RESERVED]**

F. **[RESERVED]**

G. **[RESERVED]**

H. **[RESERVED]**

I. **Record Keeping.** The Developer shall annually provide to the City its Annual Financial Statement for the preceding year and shall make available its books and records to the Authority for inspection and copying, upon reasonable advance notice during its normal hours of business. As a part of the monitoring and compliance with this Regulatory Agreement, the Developer shall annually cause Qualified Extremely Low-Income Household occupying a Unit in the Project to complete an income certification. In the event the Developer fails to submit to the City all of the documentation required by this Regulatory Agreement, the Developer shall be in default of this Regulatory Agreement. Upon failure by the Developer to cure such default within thirty (30) calendar days of written notice by the City, the City may seek all available remedies as set forth in this Regulatory Agreement.

J. **Right of Entry For Inspection.** Representatives of the City shall be entitled to enter the Site, upon at least forty-eight (48) hours' notice during normal business hours, to monitor compliance with this Regulatory Agreement, to inspect the records of the Project with respect to the Unit, and to conduct an independent audit of such records. The Developer agrees to cooperate with the City in making the Site available for such inspection. If for any reason the City is unable to obtain the Developer's consent to such an inspection, the Developer understands and agrees that the City may obtain at the Developer's expense an administrative inspection warrant or other appropriate legal order to obtain access to such records. The Developer agrees to maintain records in a business-like manner on the Site or in a location approved in writing by the Director and to make such records available to the City upon forty-eight (48) hours' notice. Unless the City otherwise approves, such records shall be maintained throughout the Affordability Period.

OBLIGATION TO MAINTAIN, REPAIR, AND REBUILD

A. **Construction Covenant.** The Developer covenants and agrees to complete the construction in accordance with the Rehabilitation Agreement, including without limitation the Project Development and all approved plans, drawings, documents, and permits issued by the City and/or other governmental agency exercising jurisdiction over the Project.

(1) **Labor Standards.** The Developer shall comply with all applicable federal and state labor standards.

(2) **Compliance with Governmental Regulations.** The Developer shall carry out the design, construction and operation of the Project in conformity with applicable Governmental Regulations, including without limitation, all applicable labor standards, the City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City Municipal Code, and all applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, as currently exists or as may be amended from time to time, Government Code Section 4450, *et seq.*, as currently exists or as may be amended from time to time, Government Code Section 11135, *et seq.*, as currently exists or as may be amended from time to time, and the California Building Standards Code, Health and Safety Code Section 18900, *et seq.* as currently exists or as may be amended from time to time.

B. **Schedule of Performance.** The Developer covenants and agrees to commence the Project and to diligently prosecute to completion the Project in accordance with the Schedule of Performance (Attachment No. 4 to the Rehabilitation Agreement). Before commencement of development of the Project, the Developer shall secure or cause to be secured any and all permits and permit ready letters which may be required by the City or other governmental agency affected by such work. Upon satisfactory completion of the construction of the Project as determined by the City and upon written request therefor by the Developer, the City shall record the Release of Construction Covenants releasing the Developer from the covenant to construct set forth above.

C. **Maintenance and Replacement.** Except for the normal wear and tear, the Developer shall, at its sole cost and expense, maintain and repair the Site keeping the same in first class condition and in a safe, decent, and sanitary condition, including the Unit, walkways, driveway, and landscaping, and from time to time make all necessary and proper repairs, renewals, and replacements as they may be required by this Regulatory Agreement and by all applicable Municipal Code and Uniform Code provisions. The Developer shall manage and maintain the Project in accordance with all applicable housing quality standards and local code requirements, concerning marketing, operation, maintenance, repair, security, rental policy, and method of selection of occupants.

D. **Interior Maintenance.** The Developer shall maintain the interior of buildings, including carpet, drapes, and paint, in clean and habitable condition.

E. **Exterior Building Maintenance.** All exterior, painted surfaces shall be maintained at all times in a clean and presentable manner, free from chipping, cracking and defacing marks. All graffiti and defacement of any type, including marks, words and pictures must be removed and any necessary painting or repair completed within seventy-two (72) hours of their creation or within seventy-two (72) hours after notice to the Developer.

F. **Landscaping.** All landscaped parcels and all front and side-yard setback areas that are not buildings, driveways or walkways shall be adequately and appropriately landscaped in accordance with minimum standards established by the City and shall be maintained in sound horticultural condition in accordance with the standards established by the City from time to time. No structure, improvement or other non-plant material shall be constructed or otherwise placed on the landscaped areas of the Project without prior written approval by the City Manager.

The following minimum standards shall apply to all landscaped areas of the Property: (1) lawn grasses shall not exceed six (6) inches in height; (2) hedges shall be trimmed; (3) no trees, shrubbery, lawns, and other plant life shall be dying from lack of water or other necessary maintenance; (4) no trees or shrubbery shall grow uncontrolled without proper pruning; (5) no vegetation shall be overgrown so as to be likely to harbor rats or vermin; (6) no dead, decayed or diseased trees, weeds and other vegetation shall be allowed. In addition to the forgoing, no yard areas shall be left unmaintained, including: (1) no broken or discarded furniture, appliances and other household equipment stored in yard areas for periods exceeding one (1) week; (2) no packing boxes, lumber, trash, dirt and other debris stored in yards for periods exceeding one (1) week in areas visible from public property or neighboring properties; (3) no unscreened trash cans, bins or containers stored for unreasonable periods in areas visible from public property or neighboring properties; and (4) no vehicles parked or stored in other than approved parking areas.

G. **Right To Enter To Cure.** If at any time Developer fails to maintain the Property in accordance with this section and such condition is not corrected within seventy-two (72) hours after written notice from the City with respect to graffiti debris, waste material, and general maintenance, or thirty (30) days after written notice from the City with respect to landscaping and building improvements with such additional time as may be reasonably necessary to diligently prosecute the cure to completion, then the City, in addition to whatever remedies it may have at law or at equity, shall have the right to enter upon the Property and perform all acts and work necessary to protect, maintain, and preserve the improvements and landscaped areas on the Property, and to attach a lien upon the Property, or to assess the Site.

H. **Damage and Destruction; Developer's Duty to Rebuild.** If all or any portion of the Site and the improvements thereon is damaged or destroyed by fire or other casualty, it shall be the duty of the Developer, subject to the availability of funds, to rebuild, repair or construct said portion of the Site and/or improvements in a timely manner which will restore it to Riverside Municipal or Building Code compliance condition as approved by the City.

In furtherance of the requirements of this Section, Developer shall keep the improvements on the Property insured by carriers at all times satisfactory to the City against loss by fire, rent loss and such other hazards (other than earthquake), casualties, liabilities and contingencies as included within an all risk extended coverage hazard insurance policy in an amount of the full replacement cost of the improvements as required by the Rehabilitation Agreement. In the event of loss, Developer shall give prompt notice to the insurance carrier and the City.

If the Property is abandoned by the Developer, or if Developer fails to respond to the City within thirty (30) days from the date notice is mailed by City to Developer that the insurance carrier offers to settle a claim for insurance benefits, City is authorized to correct and apply the insurance proceeds at its option either to restoration or repair of the Property.

I. **Time Limitation.** Upon damage to the Property or the improvements thereon, the Developer shall be obligated to proceed with all due diligence hereunder and commence reconstruction or restoration within one year after the damage occurs and complete reconstruction within a term deemed acceptable by the parties after damage occurs, or if appropriate, to

demolition and vacation of the Site within one year, unless prevented by causes beyond its reasonable control.

COVENANTS

A. **Affordability Period.** The provisions of this Regulatory Agreement shall apply to the Site throughout the Affordability Period. This Regulatory Agreement shall bind any successor, heir, or assign of the Developer, whether a change in interest occurs voluntarily or involuntarily by operation of law or otherwise, with or without the approval of the Authority, except as expressly released by the City.

B. **Covenants to Run with the Land.** The City and Developer hereby declare their express intent that the covenants and restrictions set forth in this Regulatory Agreement shall run with the land and shall bind all successors in title to the Property. Each and every contract, deed, or other instrument hereafter executed covering or conveying the Property or any portion thereof shall be held conclusively to have been executed, delivered, and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed, or other instrument, unless the City expressly releases such conveyed portion of the Property from the requirements of this Regulatory Agreement.

ENFORCEMENT AND REMEDIES

A. **Remedies.** Subject to the notice and cure rights of the Developer set forth in Section 9 of the Rehabilitation Agreement, in the event of default or breach of any of the terms or conditions of this Regulatory Agreement by Developer, its heirs, executors, administrators or assigns, the City may pursue the remedy thereof by any and all means of enforcement, both in equity and at law, as provided by the laws of the State of California, including, but not limited to, injunctive relief and/or specific performance.

B. **Rights of the City.** The City of Riverside has the right to enforce all of the provisions of this Regulatory Agreement. This Regulatory Agreement does not in any way infringe on the right or duties of the City to enforce any of the provisions of the Municipal Code including, but not limited to, the abatement of dangerous buildings. In addition to the general rights of enforcement, the City shall have the right, through its agents and employees, to enter upon any part of the Site for the purpose of enforcing the California Vehicle Code, and the ordinances and other regulations of the City, and for maintenance and/or repair of any or all publicly owned utilities.

C. **Jurisdiction, Venue, and Choice of Law.** Legal actions must be instituted and maintained in the Superior Court of the State of California - County of Riverside. Developer specifically waives any rights provided to it pursuant to California Code of Civil Procedure Section 394 or state statutes or judicial decisions of like effect. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

D. **Nuisance.** The result of every act or omission whereby any of the covenants contained in this Regulatory Agreement are violated in whole or in part is hereby declared to be

and constitutes a nuisance, and every remedy allowable at law or equity against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any owner, or its successors in interest, without derogation of the City's rights under law.

E. **Right of Entry.** The City has the right of entry at reasonable hours after reasonable attempts to contact Developer, to effect emergency repairs or maintenance which the Developer has failed to perform. Subsequent to sixty (60) days written notice to the Developer specifically outlining the noncompliance, the City shall have the right of entry at reasonable hours to enforce compliance with this Regulatory Agreement which the Developer has failed to perform.

F. **Costs of Repair.** The costs borne by the City of any such repairs or maintenance emergency and/or non-emergency, shall become a charge for which the Developer shall be responsible; and may, if unpaid, be assessed as a lien against the Site.

G. **Cumulative Remedies.** The remedies herein provided for breach of the covenants contained in this Regulatory Agreement shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

H. **Failure to Enforce.** The failure to enforce any of the covenants contained in this Regulatory Agreement shall not constitute a waiver of the right to enforce the same thereafter.

HOLD HARMLESS

Except to the extent of City's sole negligence, Developer agrees to defend and to hold City and its officers, agents, employees, representatives, elected and appointed boards and officials harmless from liability for damage or claims for any type of damage including, but not limited to, personal injury and claims for property damage, which may arise from the activities of Developer or those of Developer's contractors, subcontractors, agents, employees or other persons acting on Developer's behalf. Developer agrees to and shall defend City and its respective officers, agents, employees, representatives, elected and appointed boards and officials from any action for damages caused or alleged to have been caused by reason of Developer's activities in connection with the Project.

ASSIGNMENT OF AGREEMENT

This Regulatory Agreement shall be binding upon the Developer, its executors, administrators and assigns and all persons claiming under or through Developer.

THIRD PARTY BENEFICIARIES

This Regulatory Agreement is made and entered into for the sole protection and benefit of the City, its successors and assigns, and Developer, and except as provided in Section 6(B) hereof, no other person or persons shall have any right of action hereon.

RECORDATION

The Developer agrees that this Regulatory Agreement and any amendment or cancellation hereof shall be recorded in the official records of Riverside County by Developer within ten (10) days of the date of this Regulatory Agreement and within ten (10) days after any amendment or cancellation hereof.

NOTICE

Written notices, demands, and communications between City and Developer shall be sent by first-class registered or certified mail, postage prepaid, return receipt requested, or by private courier service which provides evidence of delivery. Unless a different address is given by any party as provided in this Section, all such communications will be addressed as follows:

To Developer: Young Scholars for Academic Empowerment, dba
TruEvolution
Attn: Chief Executive Officer
4175 Brockton Avenue
Riverside, CA 92501

Copy to: Young Scholars for Academic Empowerment, dba
TruEvolution
Attn: Chief Legal Officer & General Counsel
4175 Brockton Avenue
Riverside, CA 92501

To City: City of Riverside
Attn: City Manager
3900 Main Street
Riverside, California 92522

Copies to: City of Riverside
Attn: City Attorney
3900 Main Street
Riverside, California 92522

Any Notice shall be deemed received immediately if delivered by hand and shall be deemed received on the third day from the date it is postmarked if delivered by registered or certified mail. Each party shall promptly notify the other party of any change(s) of address to which notice shall be sent. Any address for service of notice on any party may be changed by that party serving a notice upon the other of the new address, except that any change of address to a post office box shall not be effective unless a street address is also specified for use in effectuating personal service.

WAIVER

Failure by a party to insist upon the strict performance of any of the provisions of this Regulatory Agreement by the other party or the failure by the party to exercise its rights under or upon a default by the other party herein shall not constitute a waiver of such party's right to demand strict compliance from such other party in the future.

SUBORDINATION

This Regulatory Agreement and the covenants contained herein shall be subordinate to the senior construction loan, and when converted into its permanent phase, permanent loan, and the regulatory agreement recorded in connection with any other State and federal awards.

SEVERABILITY

If any one or more of the provisions contained in this Regulatory Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Regulatory Agreement, and this Regulatory Agreement shall be construed as if such invalid, illegal or unenforceable provision(s) had never been contained herein.

CAPTION AND PRONOUNS

This Agreement shall be construed as a whole and in accordance with its fair meaning and as though both of the parties participated equally in its drafting. The captions and headings of the various sections of this Regulatory Agreement are for convenience only and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and masculine, feminine, and neuter shall be freely interchangeable.

ATTORNEYS' FEES

In any action to interpret or enforce any provision of this Regulatory Agreement, the prevailing party shall be entitled to its costs and reasonable attorneys' fees.

MODIFICATION OF AGREEMENT

This Regulatory Agreement may be modified or amended by mutual consent of the Developer and City provided that all amendments are in writing and signed by all parties hereto.

SOLE AND ONLY AGREEMENT

This Regulatory Agreement, the Rehabilitation Agreement, and all attachments thereto and incorporated therein integrate all terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any

part of the Site. In the event of a conflict between this Regulatory Agreement and Rehabilitation Agreement, the provisions of this Regulatory Agreement shall control.

City and Developer acknowledge and agree that neither has made any representation with respect to the subject matter of this Regulatory Agreement or any representations inducing the execution and delivery, except representations set forth herein, and each party acknowledges that it has relied on its own judgment in entering this Regulatory Agreement. City and Developer further acknowledge that all statements or representations that heretofore may have been made by either of them to the other are void and of no effect, and that neither of them has relied thereon in its dealings with the other.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Regulatory Agreement as of the date and year set forth below.

“DEVELOPER”

YOUNG SCHOLARS FOR ACADEMIC
EMPOWERMENT dba TRUEEVOLUTION, INC., a
California nonprofit public benefit corporation

By: _____

Name: _____

Its: _____

By: _____

Name: _____

Its: _____

“CITY”

THE CITY OF RIVERSIDE, a charter city and
California municipal corporation

Date: _____

By: _____

Name: _____

Its: _____

ATTESTED TO:

By: _____

City Clerk

APPROVED AS TO FORM:

By: _____

Senior Deputy City Attorney 21-1355.1

EXHIBIT "A"

LEGAL DESCRIPTION

LEGAL DESCRIPTIONS

PARCEL 1 – APN 214-292-005:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THE REAL PROPERTY IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS BEGINNING AT A POINT ON THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 80 FEET WESTERLY FROM THE NORTHEASTERLY CORNER OF BLOCK 8, RANGE 11, TOWN OF RIVERSIDE, AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY;

THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET;

THENCE AT A RIGHT ANGLE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 98 FEET TO THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE);

THENCE EASTERLY, ON SAID SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

PARCEL 2 – APN 214-292-022:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

BEING A PORTION OF BLOCK 8, RANGE 11, OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, AND PURSUANT TO CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT RECORDED DECEMBER 7, 2007 AS INSTRUMENT NO. 2007-0733731, BOTH OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE; THENCE SOUTH 29°00'00" WEST ALONG THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) AS SHOWN ON PARCEL MAP 7811 BY MAP RECORDED IN BOOK 25 OF PARCEL MAPS AT PAGE 67, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 98.00 FEET TO THE MOST EASTERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED JULY 7, 1961 AS INSTRUMENT NO. 58133, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET) AS SHOWN ON SAID PARCEL MAP 7811, A DISTANCE OF 11.00 FEET TO THE MOST NORTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED BY DEED TO THE CITY OF RIVERSIDE RECORDED OCTOBER 29, 1982 AS INSTRUMENT NO. 188647, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE SOUTH 29°00'00" WEST, ALONG THE NORTHWESTERLY LINE OF SAID DEED TO THE CITY OF RIVERSIDE, RECORDED OCTOBER 29, 1982, A DISTANCE OF 50.00 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO OWEN C. LOCKE ET UX., BY DEED RECORDED FEBRUARY 8, 1958 AS INSTRUMENT NO. 12203, OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 60°55'45" WEST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 139.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON STREET (FORMERLY WALNUT STREET), A DISTANCE OF 50.00 FEET;

THENCE SOUTH 60°55'45" EAST, PARALLEL WITH THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 70.00 FEET;

THENCE NORTH 29°00'00" EAST, PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET), A DISTANCE OF 98.00 FEET;

THENCE SOUTH 60°55'45" EAST, ALONG THE SOUTHERLY LINE OF UNIVERSITY AVENUE (FORMERLY 8TH STREET), A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT DISTANT NORTH 60°55'45" WEST, A DISTANCE OF 30.02 FEET MEASURED ALONG THE SOUTHERLY LINE OF SAID UNIVERSITY AVENUE (FORMERLY 8TH STREET) FROM THE MOST EASTERLY CORNER OF BLOCK 8, RANGE 11 OF SAID TOWN OF RIVERSIDE;

THENCE SOUTH 19°08'18" EAST, A DISTANCE OF 25.54 FEET TO A LINE PARALLEL WITH AND 44.00 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID BROCKTON AVENUE (FORMERLY WALNUT STREET);

THENCE SOUTH 29°00'00" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 130.98 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO SAID OWEN C. LOCKE ET UX., BEING THE TERMINATION OF SAID LINE DESCRIPTION.

PARCEL 3 – APN 214-292-008:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS BY METES AND BOUNDS BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET NORTHERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8;

THENCE WESTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET;

THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE OF EIGHTH STREET (NOW UNIVERSITY AVENUE), 165 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 50 FEET, TO THE POINT OF BEGINNING.

PARCEL 4 – APN 214-292-009:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING ON THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 94.6 FEET NORTHERLY OF THE SOUTHEAST CORNER OF SAID BLOCK 8, RANGE 11 OF TOWN OF RIVERSIDE;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE NORTHERLY AT A RIGHT ANGLE AND PARALLEL WITH THE WESTERLY LINE OF BROCKTON AVENUE (FORMERLY WALNUT STREET) 37.4 FEET;

THENCE EASTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;
THENCE SOUTHERLY 37.4 FEET TO THE POINT OF BEGINNING.

FOR PARCEL 5 – APN 214-292-010:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF BLOCK 8 OF RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, SAN BERNARDINO COUNTY RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 55 FEET NORTHERLY FROM THE SOUTHEAST CORNER OF SAID BLOCK 8;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE AT A RIGHT ANGLE NORTHERLY PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET;

THENCE AT A RIGHT ANGLE EASTERLY PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 120 FEET;

THENCE SOUTHERLY ON THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE) 39.6 FEET TO THE POINT OF BEGINNING.

PARCEL 6 – APN 214-292-013:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:
THAT PORTION OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP RECORDED IN BOOK 7 PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF NINTH STREET, 120 FEET WESTERLY FROM THE SOUTHEASTERLY CORNER OF BLOCK 8, RANGE 11 OF THE TOWN OF RIVERSIDE, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY MAP RECORDED IN BOOK 7, PAGE 17 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA;

THENCE AT A RIGHT ANGLE NORTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET;

THENCE AT A RIGHT ANGLE WESTERLY AND PARALLEL WITH THE NORTHERLY LINE OF NINTH STREET, 45 FEET;

THENCE AT A RIGHT ANGLE SOUTHERLY AND PARALLEL WITH THE WESTERLY LINE OF WALNUT STREET (NOW BROCKTON AVENUE), 132 FEET TO THE NORTHERLY LINE OF NINTH STREET;

THENCE EASTERLY ALONG THE NORTHERLY LINE OF NINTH STREET, 45 FEET TO THE POINT OF BEGINNING.

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

Curtis C. Stephens 1/7/22 Prep. CS
Curtis C. Stephens, L.S. 7519 Date



EXHIBIT “B”

PROJECT DESCRIPTION

TruEvolution will complete rehabilitation of real property located at 4132 University Avenue, 3839-3879 Brockton Avenue, and 4145 9th Street, Riverside, CA 92501 (the “Property”). Five of the properties are single-family residences and will be renovated and used as transitional housing to provide 48 beds to Extremely Low-Income Households and one unrestricted manager’s unit. One commercial building will be renovated for an on-site community Health and Justice Center which will accommodate TruEvolution’s offices and provide wraparound services to the campus’ residents and community. The accessory garage structure behind the existing commercial building will be renovated as part of the project to provide a gym and laundry space to serve the occupants of the transitional housing bungalows and individuals using the Health and Justice Center facility.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

[illegible]

On _____, before me, _____,
personally appeared _____ who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity
upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Signature

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

[illegible]

On _____, before me, _____,
personally appeared _____ who proved to me on the basis of
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity
upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Signature

ATTACHMENT 8

RELEASE OF CONSTRUCTION COVENANTS

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Riverside
3900 Main Street
Riverside, CA 92522
Attn: Housing Project Manager

Project: Project Legacy

This document is exempt from the payment of a recording fee pursuant to Government Code Section 27383.

THIS RELEASE OF CONSTRUCTION COVENANTS (“Release”) is hereby made as of this ____ day of _____, ____, by the **CITY OF RIVERSIDE**, a California charter city and municipal corporation (“**City**”) in favor of **YOUNG SCHOLARS FOR ACADEMIC EMPOWERMENT**, a California nonprofit corporation, doing business as TruEvolution (“**Developer**”).

A. The City and the Developer entered into that certain Rehabilitation Agreement dated for identification purposes only as of _____, 2021 ("Rehabilitation Agreement").

B. Pursuant to the Agreement, the City and the Developer entered into that certain Regulatory Agreement dated _____, 2021 (“Regulatory Agreement”). The Rehabilitation Agreement provides for the completion of certain improvements (“Project”) to certain real property (“Site”) situated in the City of Riverside, California, and more particularly described on Exhibit “A” attached hereto and made a part hereof by this reference. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Regulatory Agreement.

C. As required in the Rehabilitation Agreement and the Regulatory Agreement, the City shall furnish the Developer with a Release of Construction Covenants upon completion of the Project which Certificate shall be in such form as to permit it to be recorded in the Riverside County Recorder's Office.

D. The City has conclusively determined that the construction of the Project required by the Agreement and by the Regulatory Agreement on the Site has been satisfactorily completed.

NOW, THEREFORE, the City hereto certifies as follows:

1. As provided in the Regulatory Agreement, the City does hereby certify that all construction of the Project on the Site has been fully and satisfactorily performed and completed in accordance with the Rehabilitation Agreement and the Regulatory Agreement.

2. After the recordation of this Release of Construction Covenants, any person or entity then owning or thereafter purchasing, or otherwise acquiring any interest in the Site will not (because of such Ownership, purchase, or acquisition) incur any obligation or liability under the Regulatory Agreement to construct the Project, however, such party shall be bound by any and all of the covenants, conditions, and restrictions concerning the use, maintenance, and operation of the Site which shall survive such recordation.

3. This Release is not a notice of completion as referred to in Section 8182 of the California Civil Code.

IN WITNESS WHEREOF, the City has executed this Release as of the date set forth above.

CITY OF RIVERSIDE, a California charter city and
municipal corporation

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

By: _____
Senior Deputy City Attorney

21-1355.3