

NO FEE DOCUMENT

**Recording requested by and  
When recorded, mail to:**

County of Santa Barbara  
Housing and Community Development  
123 East Anapamu Street, 2<sup>nd</sup> Floor  
Santa Barbara, CA 93101  
Attn: Deputy Director

NO FEE DOCUMENT PURSUANT TO  
CALIFORNIA GOVERNMENT CODE SECTION 27383

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**COUNTY CDBG LOAN REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS**

This County CDBG Loan Regulatory Agreement and Declaration of Restrictive Covenants (this “Agreement”) is made as of this 4th day of April, 2017 by and between the County of Santa Barbara, a political subdivision of the State of California (the “Lender”), and Isla Vista Youth Projects, Inc., 6842 Phelps Road, Goleta, CA 93117, a California Nonprofit Organization, (the “Owner”).

**RECITALS**

A. The Owner operates a childcare center located at 6842 Phelps Road in Goleta Santa Barbara County, California as more particularly described in Exhibit A (the “Property”). Owner intends to acquire the Property to continue operating the childcare center.

B. The Lender has received CDBG Capital Project funds (“CDBG Funds”) from the United States Department of Housing and Urban Development (“HUD”) and has designated it for use providing low-cost professional childcare and enrichment to children.

C. Owner has received a loan from Lender of CDBG Funds in the amount of Three Hundred Thousand Dollars (\$300,000) to provide financing for the Project (the “County CDBG Loan”).

D. As further consideration for this funding and to further the interests of the Lender, the Owner has agreed to enter into and record this Agreement. The purpose of this Agreement is to regulate and restrict the occupancy, rents, operation, the ownership, and management of the Project. The covenants in this Agreement are intended to run with the land and be binding on the Owner and its successors and assigns in the Property.

NOW THEREFORE, IN CONSIDERATION of the mutual agreements, obligations, and representations, and in further consideration for the aforementioned funding, the Owner and the Lender hereby agree as follows:

## **1. DEFINITIONS**

All initially capitalized terms in this Agreement shall have the definition ascribed to such terms in the County CDBG Loan Agreement. Some of the following terms are defined in the County CDBG Loan Agreement and repeated here for convenience of reference. Where such terms are not defined in the County CDBG Loan Agreement, the following terms have the meanings and content set forth in this section wherever used in this Agreement or attached exhibits.

1.1 **“ANNUAL INCOME”** means the definition of Annual Income as more particularly defined at 24 CFR 5.609.

1.2 **“AREA MEDIAN INCOME”** means the area median income for the Santa Barbara/Santa Maria Metropolitan Statistical Area, with adjustments for household size, as determined from time to time by the United States Department of Housing and Urban Development (“HUD”) pursuant to the United States Housing Act of 1937, as amended, or such other method of median income calculation applicable to the Lender that HUD may hereafter adopt in connection with said Act.

1.3 **“COUNTY CDBG LOAN”** means the loan of CDBG funds in the amount of Three Hundred Thousand Dollars (\$300,000) made by the Lender to the Owner to finance acquisition costs of the Project pursuant to the County CDBG Loan Agreement and the County CDBG Loan Note.

1.4 **“COUNTY CDBG LOAN AGREEMENT”** is the loan agreement executed by and between the Owner and the Lender, setting forth the terms and conditions governing the County CDBG Loan.

1.5 **“COUNTY CDBG LOAN DEED OF TRUST”** means that certain deed of trust, assignment of rents, and security placed on the Property and the improvements to be constructed thereon as security for the County CDBG Loan with the Owner as trustor and the Lender as beneficiary, as well as any amendments to, modifications of, and restatements of said deed of trust.

1.6 **“COUNTY CDBG LOAN DOCUMENTS”** are collectively the County CDBG Loan Agreement, the County CDBG Loan Note evidencing the County CDBG Loan, the County CDBG Loan Deed of Trust securing the County CDBG Loan Note, and this Agreement as they may be amended, modified, or restated from time to time, along with all exhibits and attachments to these documents.

1.7 **“COUNTY CDBG LOAN NOTE”** means the promissory note executed by the Owner in favor of the Lender in the amount of Three Hundred Thousand Dollars (\$300,000),

evidencing the County CDBG Loan, which is secured by the County CDBG Loan Deed of Trust, as well as any amendments to, modifications of, or restatements of said promissory note.

1.8 **“CDBG-ASSISTED PROJECT”** means the Property, which will be used for the sole purpose of benefitting primarily (51% or more) persons and families whose annual household income is at or below eighty-percent (80%) of the Area Median Income as defined herein. The Project was qualified under 24 CFR 570.208 (a) (1) Area Benefit. The Project primarily serves the low-income community of Isla Vista in unincorporated Santa Barbara County.

1.9 **“LENDER”** is the County of Santa Barbara, a political subdivision of the State of California, and its authorized representatives, officers, officials, directors, employees, and agents.

1.10 **“OWNER”** means Isla Vista Youth Projects, Inc., a California Nonprofit Organization.

1.11 **“PROJECT”** means the acquisition, operation and management of the Property and the improvements thereon, which shall be operated according to the terms of the County CDBG Loan Agreement and as a CDBG-Assisted Project.

1.13 **“PROPERTY”** means the real property located at 6842 Phelps Rd, Goleta in Santa Barbara County, California, as more particularly described in Exhibit A attached hereto and incorporated herein, including the improvements constructed thereon pursuant to the County CDBG Loan Agreement.

1.14 **“QUALIFYING HOUSEHOLD”** means a household that qualifies as a Low-Income Household.

1.15 This paragraph left intentionally blank.

1.16 This paragraph left intentionally blank.

1.17 This paragraph left intentionally blank.

1.18 **“TERM”** means the period of time during which the CDBG-Assisted Project must meet the affordability requirements imposed under the CDBG Program, as described in Section 2.2 of this CDBG Regulatory Agreement.

1.19 **“UNIT”** This paragraph left intentionally blank.

1.20 **“LOW-INCOME HOUSEHOLD”** means a household, as defined in 24 CFR 92.2, whose annual income does not exceed eighty percent (80%) of the Area Median Income with adjustments for household size.

## **2. TERM AND COMPLIANCE**

2.1 **COMPLIANCE WITH COUNTY CDBG LOAN DOCUMENTS.** The Owner's actions with respect to the Property and the use of funds from the County CDBG Loan shall at all times be in full conformity with all of the requirements of the County CDBG Loan Documents, including but not limited to the insurance requirements contained therein.

2.2 **TERM OF AGREEMENT.** This Agreement shall commence on the date of recordation of this CDBG Loan Regulatory Agreement and terminate five (5) years from the date of the closing of the County loan on the Project. The requirements of this Agreement shall apply throughout the Term without regard to the term of any loan or mortgage or any transfer of ownership of the Property.

2.3 **COMPLIANCE WITH PROGRAM REQUIREMENTS.** The Owner shall comply with all requirements imposed on projects assisted under the CDBG Program in effect on the date the County CDBG Loan is executed by all parties, and as may be amended from time to time.

### **3. PROJECT OCCUPANCY AND RENTS**

3.1 **OCCUPANCY OF PROJECT.** The Project shall be designated as a CDBG-Assisted Project. The CDBG-Assisted Project must be occupied by the Isla Vista Youth Projects, Inc. to operate its Children's Center program providing low-cost professional childcare and enrichment for the term of the CDBG loan. The Isla Vista Children's Center is a child development program serving infants, toddlers, and preschool students. In addition, IVYP operates a Family Resource Center, and After-School and Summer Enrichment Programs.

3.2 This paragraph left intentionally blank.

3.4 This paragraph left intentionally blank.

3.5 This paragraph left intentionally blank.

3.6 This paragraph left intentionally blank.

### **4. LEASING THE PROJECT.**

This Section left intentionally blank.

### **5. PROPERTY MANAGEMENT**

5.1 **MANAGEMENT RESPONSIBILITIES.** The Owner is responsible for all management functions with respect to the Project, including without limitation the maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. The Lender shall have no responsibility over management of the Project.

**5.2 APPROVAL OF MANAGEMENT POLICIES.** This paragraph left intentionally blank.

**5.3 INSPECTION AND RECORDS.** The Owner shall maintain records which clearly document the Owner's performance of its obligations to operate the Property under the terms of this Agreement. The Owner shall submit all requested records to the Lender within ten (10) business days of the Lender's request. The Owner shall permit the Lender to enter and inspect the Property for compliance with Owner's obligations under this Agreement upon twenty-four (24) hours advance notice of such visit by the Lender to the Owner.

**5.4 COMPLIANCE MONITORING.** The Owner shall operate the Property in full compliance with this Agreement and the CDBG Program regulations at 24 CFR Part 570 in effect on the date the County CDBG Loan is executed by all parties, and as may be amended from time to time, and shall remain in compliance therewith throughout the Term of this Agreement. The Owner shall permit the Lender to conduct annual compliance monitoring, including performing on-site records review and inspections of the Property, as required by regulation or reasonably requested by Lender.

**5.5 ANNUAL REPORT.** The Owner shall submit to the Lender a report in a form approved by Lender for the preceding period of January 1st through December 31st, containing the information requested by Lender so as to allow the Lender to determine the Owner's compliance with this Agreement. The report shall be submitted annually no later than March 1<sup>st</sup>, and shall include, at a minimum: (i) an Annual Financial Statement as defined in Section 1.1 of the County CDBG Loan Agreement, (ii) a report on the occupancy of the Project, (iii) a report on the physical condition of the Project, (iv) a report on the general management of the Project, and (v) the use(s) of the Property in accordance with the requirements set forth in paragraphs 1.8, 1.11 and 1.20 of this Regulatory Agreement.

Within thirty (30) days after receipt of a written request, Owner shall submit any other information or completed forms requested by the Lender in order to comply with reporting requirements of the United States Department of Housing and Urban Development, or the State of California, or the Lender. The Lender shall have the right to examine and make copies of all books, records or other documents of Owner which pertain to the Project or any Unit to determine compliance with this Agreement.

**5.6 FEES, TAXES, AND OTHER LEVIES.** The Owner shall be responsible for payment of all fees, assessments, taxes, charges and levies imposed by any public authority or utility company with respect to the Property, and shall pay such charges prior to delinquency.

5.7 This paragraph left intentionally blank.

**5.8 MAINTENANCE OF EXISTING STRUCTURES.** Owner shall maintain all buildings on the Property in good condition, in good repair and in a decent, safe, sanitary, habitable and tenantable condition, as reasonably determined by the County throughout the Term of this Agreement. Owner shall not cause or permit any violations of any laws, ordinances, regulations, covenants, conditions, restrictions, or equitable servitudes as they pertain to

improvements, alterations, maintenance or demolition on the Property. Lender shall have no responsibility over maintenance of the Property.

## **6. GENERAL PROVISIONS**

**6.1 SUBORDINATION.** This Agreement shall be senior and not be subordinate to any deed of trust, note, agreement and/or to any other obligations of Lender concerning the Property and may be subordinated in priority only as to liens and encumbrances otherwise approved in writing by the Lender in its sole and absolute discretion.

**6.2 DEFAULT AND REMEDIES.** In the event of any breach of any agreement or obligation under this Agreement by the Owner, the Lender shall provide written notice to the Owner of such breach. The Owner shall have an opportunity to cure such breach within thirty (30) days from the Owner's receipt of such written notice or such longer period of time as the Lender determines is necessary to cure the breach if the Owner diligently undertakes to cure such breach. If the Owner fails to perform a timely cure of the specified breach, the Lender may proceed with any or all of the following remedies upon the Owner's failure to cure:

A. Bring an action in equitable relief seeking the specific performance by the Owner of the terms and conditions of this Agreement, and/or enjoining, abating, or preventing any violation of said terms and conditions, and/or seeking declaratory relief;

B. Enter upon, take possession of, and manage the Property and the Project, either in person, by agent, or by a receiver appointed by a court, and collect any rents, income, deposits, or reserves and apply them to operate the Property;

C. After notice provided for herein, make such repairs or replacements to the Property and Project as are necessary and provide for payment thereof; or

D. Pursue any other remedy provided under the County CDBG Loan Documents or allowed at law or in equity.

**6.3 EVENT OF DEFAULT.** In the event that the Project fails to meet the CDBG affordability requirements included in this Agreement for the Term of the Agreement, this shall constitute an Event of Default under Sections 8.1.D, 8.1.E, and/or 8.1.I of the County CDBG Loan Agreement. An event of default is a material breach of any of the requirements of this Regulatory Agreement.

**6.4 NON-LIABILITY OF OFFICIALS, EMPLOYEES AND AGENTS.** No official elected or appointed, officer, director, employee or agent of the Lender shall be personally liable to the Owner for any obligation created under the terms of this Agreement.

**6.5 INSURANCE AND INDEMNITY.** Owner shall comply with the insurance and indemnification provisions set forth in Exhibit B and incorporated herein by this reference.

**6.6 GOVERNING LAW.** This Agreement shall be interpreted under and be governed by the laws of the State of California, except for those provisions relating to choice of law and those provisions preempted by federal law.

6.7 **AGREEMENT CONTROLS.** In the event that any provision of this Agreement and that contained in any other Loan Document conflict, the terms of this Agreement shall control.

6.8 **TIME.** Time is of the essence in this Agreement.

6.9 **CONSENTS AND APPROVALS.** Any consent or approval of the Lender required under this Agreement shall not be unreasonably withheld. Any approval must be in writing and executed by an authorized representative of the Lender.

6.10 **NOTICES, DEMANDS AND COMMUNICATIONS.** Formal notices, demands and communications between the Owner and the Lender shall be sufficiently given and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the principal offices of the Owner and the Lender as follows:

**Lender:** County of Santa Barbara  
Housing and Community Development  
105 E Anapamu Street, Room 105  
Santa Barbara, CA 93101  
Attn: Deputy Director

With copy to: Office of County Counsel  
County of Santa Barbara  
123 E Anapamu Street, 2nd Floor  
Santa Barbara, CA 93101

**Owner:** Isla Vista Youth Projects, Inc.  
6842 Phelps Road  
Goleta, CA 93117  
Attn: Executive Director

6.11 **BINDING UPON SUCCESSORS.** This Agreement shall be recorded and all provisions of this Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors-in-interest, transferees, and assigns of the Owner, and the Lender, and shall run with the land for the full Term of this Agreement, regardless of any assignment, payment, prepayment, expiration, extinguishment of the County CDBG Loan or County CDBG Loan Note, any reconveyance of the County CDBG Loan Deed of Trust, or any conveyance or transfer of the Property or portion thereof.

6.12 **RELATIONSHIP OF PARTIES.** The relationship of the Owner and the Lender during the term of this Agreement is solely that of lender and borrower and shall not be construed as a joint venture, equity venture, or partnership.

6.13 **WAIVER.** Any waiver by the Lender of any obligation in this Agreement must be in writing. No waiver will be implied from any delay or failure by the Lender to take action on any breach or default of the Owner or to pursue any remedy allowed under this Agreement, the County CDBG Loan Documents, or applicable law. Any extension of time granted to the Owner to perform any obligation under this Agreement shall not operate as a waiver or release from any

of Owner's obligations under this Agreement. Consent by the Lender to any act or omission by the Owner shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for the Lender's written consent to future waivers.

**6.14 AMENDMENTS AND MODIFICATIONS.** Any amendment to or modification of this Agreement must be in writing, and shall be made only if executed by both the Owner and the Lender.

**6.15 SEVERABILITY.** Every provision of this Agreement is intended to be severable. If any provision of this Agreement shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

*Signatures appear on following page. No further text appears here.*



IN WITNESS WHEREOF, County and Borrower have caused this Agreement to be executed by their respective duly authorized officers.

**ATTEST:**

MONA MIYASATO  
Clerk of the Board

By: \_\_\_\_\_  
Deputy Clerk of the Board

**LENDER:**

County of Santa Barbara,  
a political subdivision of the State of California

By: \_\_\_\_\_  
Joan Hartmann, Chair  
Board of Supervisors

**APPROVED AS TO ACCOUNTING  
FORM:**

THEODORE A. FALLATI, CPA  
AUDITOR-CONTROLLER

By: \_\_\_\_\_

By: \_\_\_\_\_  
George Chapjian, Director Community  
Services Dept.

**APPROVED AS TO FORM  
MICHAEL GHIZZONI  
COUNTY COUNSEL**

By: \_\_\_\_\_  
Deputy County Counsel

**BORROWER**

Isla Vista Youth Projects, Inc.  
a California Nonprofit Organization

**APPROVED AS TO FORM:  
RISK MANAGEMENT**

By: \_\_\_\_\_  
Ray Aromatorio, ARM, AIC  
Risk Manager

By: \_\_\_\_\_  
President, Board of Directors

By: \_\_\_\_\_  
Secretary

Exhibit A

Legal Description of Property

PARCEL ONE:

LOT 106 OF TRACT NO. 14393, PHASE 1, IN THE CITY OF GOLETA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 183, PAGES 1 THROUGH 11, INCLUSIVE, OF MAPS, AND AS AMENDED IN BOOK 186, PAGES 79 THROUGH 90, INCLUSIVE BOTH IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL TWO:

A NON-EXCLUSIVE EASEMENT FOR PRIVATE ROAD, DRAINAGE AND PUBLIC UTILITY PURPOSES, AND FOR INGRESS, EGRESS, ACCESS, CONSTRUCTION, MAINTENANCE, REPAIR AND INCIDENTAL PURPOSES THERETO, OVER, UNDER, ACROSS AND THROUGH THAT PORTION OF LOT 94 AND LOT 107 OF TRACT NO. 14393, PHASE 1, AS SHOWN ON MAP FILED IN BOOK 183, PAGES 1 THROUGH 11, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DEFINED AND DELINEATED THEREON AS "PRIVATE EASEMENT FOR ROAD, DRAINAGE AND PUBLIC UTILITIES PURPOSES FOR THE BENEFIT OF LOT 106 AS SHOWN THEREON" PER SAID MAP.

PARCEL THREE:

A NON-EXCLUSIVE EASEMENT FOR STORM DRAIN FACILITIES AND FOR INGRESS, EGRESS, ACCESS, CONSTRUCTION, OPERATION, MAINTENANCE, REPAIR AND INCIDENTAL PURPOSES THERETO, OVER, UNDER, ACROSS AND THROUGH THAT PORTION OF LOT 94 AND LOT 95 OF TRACT NO. 14393, PHASE 1, AS SHOWN ON MAP FILED IN BOOK 183, PAGES 1 THROUGH 11, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DEFINED AND DELINEATED THEREON AS "CENTER LINE OF 10.00 FOOT WIDE PRIVATE EASEMENT FOR CONSTRUCTION, OPERATION, AND MAINTENANCE OF STORM DRAIN FACILITIES FOR THE BENEFIT OF LOT 106 AS SHOWN HEREON" PER SAID MAP

## Exhibit B

### Standard Indemnification and Insurance Provisions

#### Indemnification and Insurance Requirements

(For Service Contracts Not Requiring Professional Liability Insurance)

#### INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. CONTRACTOR's indemnification obligation applies to COUNTY's active as well as passive negligence but does not apply to COUNTY's sole negligence or willful misconduct.

#### NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CONTRACTOR shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

#### INSURANCE

CONTRACTOR shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONTRACTOR, his agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if CONTRACTOR has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

If the CONTRACTOR maintains higher limits than the minimums shown above, the COUNTY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. Additional Insured – COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONTRACTOR’s insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
2. Primary Coverage – For any claims related to this Agreement, the CONTRACTOR’s insurance coverage shall be primary insurance as respects the COUNTY, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, agents or volunteers shall be excess of the CONTRACTOR’s insurance and shall not contribute with it.
3. Notice of Cancellation – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. Waiver of Subrogation Rights – CONTRACTOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.
5. Deductibles and Self-Insured Retention – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the CONTRACTOR to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. Acceptability of Insurers – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best’s Insurance Guide rating of “A- VII”.
7. Verification of Coverage – CONTRACTOR shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR’s obligation to provide them. The CONTRACTOR shall furnish evidence of renewal of coverage throughout the term of the Agreement. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. Failure to Procure Coverage – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement.

Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage

or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.

9. Subcontractors – CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CONTRACTOR shall ensure that COUNTY is an additional insured on insurance required from subcontractors.

10. Special Risks or Circumstances – COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.