

**COUNTY CDBG LOAN AGREEMENT
(\$299,000)**

**Between
County of Santa Barbara**

and

Fighting Back Santa Maria Valley

**Navigation Center
(526 East Chapel Street, Santa Maria)**



Community Development Block Grant Program
Federal Assistance Listing Number 14.218

This agreement (“County CDBG Loan Agreement”) is made as of this third day of December, 2024, by and between the County of Santa Barbara, a political subdivision of the State of California (“Lender” or “County”), and Fighting Back Santa Maria Valley, a California nonprofit public benefit corporation (“Borrower”).

RECITALS

A. Lender wishes to build community infrastructure and service capacity for low-income people in Santa Barbara County.

B. Borrower intends to acquire a that certain real property and improvements thereon located at 526 East Chapel Street in the City of Santa Maria, which is located in Santa Barbara County, California, as more particularly described in the legal description attached hereto as Exhibit A and incorporated herein by reference (the “Property”). The Property will be used by Borrower to provide navigation services to homeless youth.

C. Lender has been awarded Community Development Block Grant Program funds (“CDBG Funds”) from the United States Department of Housing and Urban Development (“HUD”) pursuant to Title I of the Housing and Community Development Act of 1974, as amended (“HCD Act”), Public Law 93-383 (42 U.S.C. §§ 5301 *et seq.*).

D. Borrower wishes to borrow from Lender, and Lender wishes to extend to Borrower, a loan in the original principal amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000) (the “County CDBG Loan”) to repay a bridge loan obtained by Borrower to acquire the Property, subject to the terms and conditions set forth in this County CDBG Loan Agreement.

E. Pursuant to the FY 2023 Annual Action Plan Substantial Amendment approved by the Board of Supervisors of the County of Santa Barbara (“Board”) on May 7, 2024, CDBG funding has been designated for the Project.

F. Concurrently herewith, Borrower is executing a County CDBG Loan Regulatory Agreement and Declaration of Restrictive Covenants (“County CDBG Loan Regulatory Agreement”) restricting Borrower’s use of the Property in accordance with CDBG program requirements.

G. The County CDBG Loan will be evidenced by a promissory note in the original principal amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), executed by Borrower in favor of Lender, and secured by a deed of trust.

NOW THEREFORE, IN CONSIDERATION of the mutual agreements, obligations, and representations, and in further consideration for the making of the County CDBG Loan, Borrower and Lender hereby agree as follows:

ARTICLE 1 DEFINITIONS

The following terms have the respective meanings set forth in this Article I wherever used in this County CDBG Loan Agreement, including the Exhibits attached hereto, and documents incorporated into this County CDBG Loan Agreement by reference.

1.1 **“ANNUAL FINANCIAL STATEMENT”** means the audited financial statement of Operating Expenses and Revenue prepared, at Borrower’s expense, by an independent certified public accountant acceptable to Lender, which Borrower shall provide to Lender each year as part of Borrower’s annual reporting to Lender, in accordance with Section 5.12, below.

1.2 **“BORROWER”** means Fighting Back Santa Maria Valley, a California nonprofit public benefit corporation, and its representatives and authorized assigns, transferees, and successors-in-interest to the extent permitted hereunder.

1.3 **“BUDGET”** means that budget for the construction of the Project attached hereto as Exhibit B, which is hereby incorporated into this County CDBG Loan Agreement by this reference and which identifies the sources and eligible uses of funds for Project development costs, eligible to be paid with County CDBG Loan funds in conformance with CDBG Program requirements pursuant to 24 CFR 570.201.

1.4 **“COUNTY”** means the County of Santa Barbara, a political subdivision of the State of California.

1.5 **“COUNTY CDBG LOAN”** means the loan by the County to Borrower of County CDBG Funds in the total amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), as provided in this County CDBG Loan Agreement, and as evidenced by the County CDBG Loan Note, to finance certain development costs of the Project.

1.6 **“COUNTY CDBG LOAN AGREEMENT”** means this loan agreement entered into by and between Lender and Borrower.

1.7 **“COUNTY CDBG LOAN DEED OF TRUST”** means that certain deed of trust, assignment of rents, and security agreement dated on or about the date hereof and recorded against title to the Property as security for the County CDBG Loan by Borrower as trustor with Lender as beneficiary, as well as any amendments to, modifications of, and restatements of said County Loan Deed of Trust, a copy of which is attached hereto as Exhibit C and hereby incorporated into this County CDBG Loan Agreement by this reference.

1.8 **“COUNTY CDBG LOAN DOCUMENTS”** means, collectively, this County CDBG Loan Agreement, the County CDBG Loan Note, the County CDBG Loan Deed of Trust, and the County CDBG Loan Regulatory Agreement, as they may be amended, modified, or restated from time to time, along with all exhibits and attachments hereto and thereto.

1.9 **“COUNTY CDBG LOAN NOTE”** means the promissory note of even date herewith, executed by Borrower in favor of Lender in the amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), to evidence the County CDBG Loan, as well as any amendments

to, modifications of, or restatements of said promissory note, substantially in the form attached hereto as Exhibit D, and hereby incorporated into this County CDBG Loan Agreement by this reference.

1.10 **“COUNTY CDBG LOAN REGULATORY AGREEMENT”** means the Regulatory Agreement executed by Borrower and Lender concurrently herewith, attached hereto as Exhibit E and incorporated herein by this reference, which shall be recorded against title to the Property.

1.1 **“CDBG GRANT AGREEMENT”** means that certain Grant Agreement by and between the County and the United States Department of Housing and Urban Development dated September 12, 2023 governing use of the CDBG Funds, a true and correct copy of which is attached hereto as Exhibit G and incorporated herein.

1.12 **“CDBG FUNDS”** means Community Development Block Grant Program funds from the United States Department of Housing and Urban Development and as defined in 24 CFR 570.3, which is the funding source for the County CDBG Loan.

1.13 **“CDBG REQUIREMENTS”** means, collectively, all of the requirements set forth in each of (a) the CDBG Grant Agreement, (b) Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.), and (c) the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time during the Term).

1.14 **“CITY CDBG LOAN”** means that certain loan by the City of Santa Maria to Borrower of CDBG funds in the original principal amount of \$300,000 as evidenced by that certain loan agreement by and between the City of Santa Maria and Borrower dated [____], that certain promissory note executed by Borrower in favor of the City of Santa Maria dated [____], and as secured by that certain Deed of Trust executed by Borrower in favor of the City of Santa Maria dated [____] to be recorded against title to the Property.

1.15 **“FISCAL YEAR”** means the twelve (12) -month accounting period, beginning July 1 and ending June 30 of each year during the Term.

1.16 **“HAZARDOUS MATERIALS”** means any hazardous or toxic substances, materials, wastes, pollutants, or contaminants which are defined, regulated, or listed as “hazardous substances,” “hazardous wastes,” “hazardous materials,” “pollutants,” “contaminants,” or “toxic substances,” under any federal or state environmental and health and safety laws and regulations, including, but not limited to, petroleum and petroleum byproducts, flammable explosives, urea formaldehyde insulation, radioactive materials, asbestos, and lead.

1. 17 **“HUD”** means the United States Department of Housing and Urban Development.

1.18 **“INSURANCE REQUIREMENTS”** means the insurance coverages which must be in full force and effect during the Term of this County CDBG Loan Agreement, as specified in Exhibit F, which is attached hereto and hereby incorporated into this County CDBG Loan Agreement by this reference.

1.19 **“LENDER”** means the County of Santa Barbara, a political subdivision of the State of California.

1.20 **“OPERATING EXPENSES”** means, actual, reasonable and customary costs, fees and expenses paid by or on behalf of Borrower and directly attributable to the operation, maintenance, and management of the Project, including painting, cleaning, repairs and alterations, landscaping, utilities, rubbish removal, certificates, permits and licenses, sewer charges, real and personal property taxes and assessments, insurance, supportive services, security, advertising, promotion and publicity, office, janitorial, cleaning and building supplies, purchase, repair, servicing and installation of appliances, equipment, fixtures and furnishings, and reasonable fees and expenses of accountants, attorneys, consultants and other professionals. Borrower shall report Operating Expenses to Lender in each Annual Financial Statement.

1.21 **“PROJECT”** means the acquisition, operation and management of the Property according to the terms of this County CDBG Loan Agreement and in accordance with 24 CFR 570.3.

1.22 **“PROPERTY”** means that certain real property and improvements thereon located at 526 East Chapel Street, in the City of Santa Maria, which is located in Santa Barbara County, California, as more particularly described in Exhibit A, which is attached hereto and hereby incorporated into this County CDBG Loan Agreement by this reference.

1.23 **“REVENUE”** means all income in connection with the Project. Borrower shall report all Revenue to Lender in each Annual Financial Statement. Excluded from the definition of Revenue are funds received by Borrower from any capital contributions, disbursements of loan proceeds, and any insurance payments.

1.24 **“TERM”** shall have the meaning set forth in Section 9.8, below.

ARTICLE 2 TERMS OF THE COUNTY CDBG LOAN

2.1 **COUNTY HOME LOAN.** On and subject to the terms and conditions of the County CDBG Loan Documents, Lender agrees to make and Borrower agrees to accept the County CDBG Loan subject to the following terms and conditions:

2.2 **AMOUNT.** The original principal amount of the County CDBG Loan shall be an amount not to exceed Two Hundred Ninety-Nine Thousand Dollars (\$299,000), which shall be evidenced by the County CDBG Loan Note (“Maximum Loan Disbursement Amount”). In the event that sufficient CDBG Funds for this County CDBG Loan Agreement are not available to Lender for any reason at any time during the Term, Lender shall not be obligated to make payments to Borrower unless and until sufficient CDBG Funds become available to Lender, and Borrower shall hold Lender harmless.

2.3 **INTEREST.** Subject to the provisions of Section 2.4, below, the County CDBG Loan Note shall bear simple interest at a rate of zero percent (0%) per annum on the outstanding balance from the date of the first disbursement under the County CDBG Loan Note. Interest is not compounding.

2.4 **DEFAULT INTEREST.** In the event of an Event of Default by Borrower, and expiration of applicable cure periods, if any, Borrower shall pay to Lender, in addition to the interest rate specified in Section 2.3, above, interest on the then-outstanding principal of the County CDBG Loan, at an annual rate equal to the lesser of (i) ten percent (10%), or (ii) the highest interest allowed by law, from the date of such default until the date that such default is cured, if subject to cure, or the County CDBG Loan is repaid in full ("Default Interest"). Such Default Interest shall be paid by Borrower to Lender monthly on the first day of each month following such Event of Default.

2.5 **AMOUNT AND TIME OF PAYMENT.** The principal of the County CDBG Loan and all accrued and unpaid interest thereon, in accordance with the County CDBG Loan Note, shall be due and payable on the earlier of: (a) the date that is six (6) years after the Effective Date, or (b) the date the Property is sold or otherwise Transferred (defined below in Section 5.14), unless such Transfer is specifically and expressly approved by the Lender in advance in writing, or (c) the occurrence of an Event of Default by Borrower, as defined below in Section 8.1, which, if subject to cure as specified in the applicable Default Notice, has not been cured as provided for below in Section 8.2 and in such Default Notice, or (d) June 30, 2031. The foregoing notwithstanding, if Borrower remains compliant with the terms of the CDBG Regulatory Agreement, as determined by the County through periodic inspections of the Project, and files documenting compliance, and as indicated with monitoring close-out letters from Lender to Borrower indicating compliance with the CDBG Regulatory Agreement, for the six (6) year term described therein, then the principal amount of the loan, along with all accrued interest, except interest accrued pursuant to Section 2.4, shall be forgiven.

2.6 **USE OF COUNTY CDBG LOAN FUNDS.** County CDBG Loan funds shall be used only for repayment of a loan obtained to acquire the Property as specified in the Budget attached hereto as Exhibit B, and shall only be disbursed in accordance with the provisions of Article 3, below.

2.7 [This section intentionally left blank.]

2.8 **SECURITY.** Borrower shall secure its obligation to repay the County CDBG Loan by executing the County CDBG Loan Deed of Trust, in the form attached hereto as Exhibit C, and recording it as a lien against the Property, in senior position in recording order and otherwise to all other loans secured by and liens recorded against the Property, other than the City CDBG Loan. Upon closing of Borrower's acquisition of the Property, Borrower shall promptly cause the recordation of the County CDBG Loan Deed of Trust and the County CDBG Loan Regulatory Agreement with the Recorder for the County of Santa Barbara, and shall promptly cause the delivery of conformed copies of the recorded documents to Lender.

2.9 REPAYMENT OF THE COUNTY CDBG LOAN. All accrued interest and principal of the County CDBG Loan shall be due and payable in accordance with the terms set forth in Section 2.5, above.

2.10 PREPAYMENT OF COUNTY CDBG LOAN. No prepayment penalty will be charged to Borrower for payment of all or any portion of the County CDBG Loan amounts prior to the end of the Term. However, prepayment of the County CDBG Loan during the Term or the term of the County CDBG Loan Regulatory Agreement shall require Lender approval and, in any event, shall not affect Borrower's obligations under the County CDBG Loan Regulatory Agreement.

2.11 ANNUAL OPERATING EXPENSES. Thirty (30) days prior to the end of each Fiscal Year, during the Term, Borrower shall submit to Lender a proposed operating budget for the Project for the following Fiscal Year ("Proposed Operating Budget") for Lender's review and approval (as approved by Lender, the "Approved Operating Budget"). Ninety (90) days following the end of each Fiscal Year, during the Term, Borrower shall submit to Lender copies of the year-end audited financial statements.

2.12 [This section intentionally left blank.]

ARTICLE 3 COUNTY CDBG LOAN DISBURSEMENT

3.1 CONDITIONS PRECEDENT TO DISBURSEMENT. Lender shall not be obligated to make any disbursements of County CDBG Loan funds or take any other action under the County CDBG Loan Documents unless the following conditions precedent are satisfied prior to the disbursement of County CDBG Loan funds:

- A. Borrower has acquired title to the Property;
- B. There exists no Event of Default or any act, failure, omission or condition that with the giving of notice or passage of time would constitute an Event of Default;
- C. Borrower has executed and delivered to Lender all documents, instruments, and policies required under the County CDBG Loan Documents, including, but not limited to, an ALTA Lender's policy of title insurance in the amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000) from a title insurance company approved by the Lender and in a form reasonably acceptable to Lender;
- D. Borrower has provided to Lender the certificates of insurance as specified in the insurance provisions set forth in Exhibit F;
- E. Borrower has complied with all reporting requirements set forth in this County CDBG Loan Agreement, including, but not limited to, in accordance with Sections 3.2, 5.11, and 5.12, below.
- F. There are sufficient CDBG Funds available to Lender.

3.2 DISBURSEMENT OF FUNDS. Lender shall provide the County CDBG Loan funds to Borrower for reimbursement of property acquisition costs incurred by Borrower and approved by Lender in accordance with the Budget (Exhibit B). Borrower shall not request disbursement of County CDBG Loan funds until needed for payment of those certain property acquisition costs as specified in the Budget (Exhibit B). Disbursement of County CDBG Loan funds shall not exceed a maximum aggregate amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000).

County CDBG Loan funds shall be disbursed through a payment based upon Property acquisition costs actually and reasonably incurred by Borrower. Borrower shall submit to Lender a disbursement request (“Written Disbursement Request”) in writing using the County’s Expenditure Summary and Payment Request form, in the form attached hereto as Exhibit H and incorporated herein by reference (“ESPR”). The Written Disbursement Request shall include itemized invoices corresponding to the Budget (Exhibit B). Borrower shall also attach to the ESPR copies of receipts or other proof of each payment by Borrower for which Borrower requests reimbursement therein, in form acceptable to Lender, that demonstrate date and amount of each such payment by Borrower and the nature of the expense incurred. Lender reserves the right to request additional documentation as necessary to ensure compliance with the County CDBG Loan documents and all Federal, state and local laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, and policies (the foregoing, collectively, “Applicable Laws” or “Applicable Law”).

The Written Disbursement Request shall only include items included in the Budget (Exhibit B). No changes to the Budget shall be effective without the prior written approval of Lender in each instance in response to a written request from Borrower regarding same. In no event shall Lender’s obligations hereunder exceed the Maximum Loan Disbursement Amount. Any costs in excess of the Maximum Loan Disbursement Amount that are necessary for the completion of the Project shall be the sole responsibility of Borrower.

ARTICLE 4 DEVELOPMENT OF PROJECT

4.1 [This section intentionally left blank.]

4.2 [This section intentionally left blank.]

4.3 FINANCING. Borrower shall promptly inform Lender in writing of any changes in the amount, terms, or sources of financing or funding for the Project.

4.4 [This section intentionally left blank.]

4.5 [This section intentionally left blank.]

4.6 [This section intentionally left blank.]

4.7 [This section intentionally left blank.]

4.8 BARRIERS TO THE DISABLED. The Project shall be developed and the Property shall be maintained and operated in compliance with all applicable federal, state, and local requirements for access for disabled persons, including but not limited to Section 504 of the Rehabilitation Act of 1973 (29 USC 794), as amended, and with implementing regulations at 24 CFR Part 8, and the Fair Housing Act (42 USC 3601-3619), implemented at 24 CFR Part 100, Subpart D.

4.9 LEAD-BASED PAINT AND ASBESTOS REMOVAL. Borrower and its contractors and subcontractors shall not use lead-based paint or asbestos in the construction or maintenance of the Project, and shall comply with Federal regulations set forth in 24 CFR Part 35, subparts A, B, J, K, M and R, 29 CFR, 40 CFR, the Residential Lead-Based Paint Hazard Reduction Act of 1992, also known as Title X (42 USC, 4851, et seq.), the Lead-Based Paint Poisoning Paint Provision Act (42 USC 4821, et seq.), California OSHA, California Health and Safety Code, and all other applicable Federal, state and County laws, regulations, and standards. Borrower shall incorporate, or cause to be incorporated, this provision in all contracts and subcontracts for work performed on the Project which involve the application of paint or removal of asbestos.

4.10 [This section intentionally left blank.]

4.11 MECHANICS LIENS AND STOP NOTICES. If any claim of lien is filed against the Property, or a stop notice affecting the County CDBG Loan is served on Lender or any other lender or other third party in connection with the Project, Borrower shall, within sixty (60) days of such filing or service, either pay and fully discharge the lien or stop notice, effect the release of such lien or stop notice by delivering to Lender a surety bond in sufficient form and amount, provide Lender with a lien-free endorsement, or provide Lender with other assurance reasonably satisfactory to Lender that the claim of lien or stop notice shall be promptly paid or discharged.

If Borrower fails to discharge any lien, encumbrance, charge, or claim referred to herein, then, in addition to any other right or remedy, Lender may, but shall be under no obligation to, discharge such lien, encumbrance, charge, or claim at Borrower's expense. Alternatively, Lender may require Borrower to immediately deposit with Lender the amount necessary to satisfy such lien or claim and any costs pending resolution thereof. Lender may use such deposit to satisfy any claim or lien that is adverse to or against Borrower or the Property.

Borrower shall record a valid notice of cessation or Notice of Completion upon cessation of construction work on the Project for a continuous period of thirty (30) days or more, and take all other reasonable steps to forestall the assertion of claims of lien against the Property. Borrower authorizes Lender, but without any obligation on the part of Lender, to record any notices of completion or cessation of labor, or any other notice that Lender deems necessary or desirable to protect its interest in the Project and Property.

4.12 COMPLIANCE WITH CDBG PROGRAM AND OTHER FEDERAL REQUIREMENTS. The CDBG Requirements and all other requirements imposed under the CDBG program as contained in 42 USC Sections 5301, et seq., 24 CFR Part 570, and all other

implementing laws, rules, regulations, and guidance, are incorporated herein by this reference. In the event of any conflict between this County CDBG Loan Agreement and the CDBG Regulations, the CDBG Regulations shall govern.

The laws and regulations governing the use of the CDBG Funds (“CDBG Regulations”) include, but are not limited to, the following:

A. Uniform Guidance. The applicable policies, guidelines, and requirements set forth in 2 CFR Part 200.

B. Audit requirements. Agencies that expend \$750,000 or more in federal funds in a year as calculated therein must undergo a single audit in compliance with 2 CFR 200.501.

C. Architectural Barriers. The requirements of the Architectural Barriers Act of 1968 (42 USC 4151-4157).

D. Handicap Discrimination. The requirements of Section 504 of the Rehabilitation Act of 1973 (29 USC 794), and federal regulations issued pursuant thereto, which prohibits discrimination against the handicapped in any federally assisted program.

E. Environmental Review. The provisions of NEPA, and applicable related environmental authorities set forth at 24 CFR Part 50.4, and HUD’s implementing regulations set forth at 24 CFR Parts 50 and 58.

F. Fair Housing. The requirements of the Fair Housing Act (42 USC 3601-3619) and implementing regulations at 24 CFR Parts 100, 109 and 110; Executive Order 11063 (Equal Opportunity in Housing) and implementing regulations at 24 CFR Part 107; and Title VI of the Civil Rights Act of 1964 (42 USC 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR Part 1.

G. Prevailing Wages. Borrower shall comply, and cause all contractors and subcontractors to comply with (1) Davis-Bacon and Related Acts (40 USC 3141, et seq.); (2) Contract Work Hours and Safety Standards Act, as amended (40 USC 327-333); (3) Copeland Anti-Kickback Act (40 USC 3145); and (4) Fair Labor Standards Act of 1938, as amended (29 USC 201 et. seq.).

H. Training Opportunities. The requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u, requiring that, to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the Project area and agreements for work in connection with the Project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the areas of the Project. Borrower agrees to include the following language in all contracts and subcontracts executed in connection with this County CDBG Loan Agreement, as required pursuant to 24 CFR Part 75:

1. The work to be performed under this County CDBG Loan Agreement is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. The regulations are found at 24 CFR Part 75.
2. Borrower shall comply with HUD's regulations in 24 CFR part 75, which implement section 3. Borrower shall comply with the requirements set forth in 24 CFR Sections 75.9 and 75.19, as applicable. As evidenced by their execution of this contract, Borrower certifies that it is under no contractual or other impediment that would prevent it from complying with the part 75 regulations.
3. Borrower shall, and shall cause its contractors and subcontractors to, (a) comply with part 75 regulatory requirements under this section 3 clause, and (b) conduct such party's business practices in a manner that provides records and reports consistent with HUD section 3 reporting and compliance under covered contracts, defined as 'any project that individually or in the aggregate receives greater than \$200,000 in any form of federal assistance'. This may include, but is not limited to: 1) certifications, records and documentation confirming contractor and business qualification as a Section 3 Business Concern, if applicable; 2) certifications, records and documentation confirming workers' qualification and status as a Section 3 and/or Targeted Section 3 Worker; if applicable; c) certified payroll records, reports and documentation reflecting time and hours for all labor performed on section 3 covered contracts, including hours for certified Section 3 and Targeted Section 3 workers, if and as applicable; and d) any such additional records, documents and reports that County may request to confirm compliance with part 75 requirements.
4. The Borrower shall, and shall cause its contractors and subcontractors to, include this section 3 clause in every contract or subcontract subject to compliance with regulations in 24 CFR part 75, and shall take appropriate action, as provided in an applicable provision of the contract or subcontract or in this section 3 clause, upon a finding that any contractor or subcontractor is in violation of the regulations in 24 CFR part 75. The Borrower shall not contract with or permit its contractors to subcontract with any contractor or subcontractor in the event that the Borrower has notice or actual or constructive knowledge that such contractor or subcontractor has been found to be in violation of the regulations in 24 CFR part 75.
5. In the event that County or HUD determines that it is necessary to deploy qualitative efforts in accordance with 24 CFR Sections 75.15(b) and/or 75.25(b), Borrower shall work in good faith with County in order to implement such qualitative efforts. Such efforts may include the qualitative efforts outlined in County's Section 3 Plan, Policies and Procedures, as it may be revised or amended from time to time. County's Section 3 Plan, Policies and Procedures are available upon request at HCD offices and provided electronically.

6. Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract by Lender for default, and debarment or suspension from future HUD assisted contracts.

I. **Build America, Buy America.** Unless exempted by HUD under a General Waiver or Specific Waiver, the Borrower shall comply with the requirements of the Build America, Buy America Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended.

J. **Minority and Women's Business Enterprise.** The requirements of Executive Orders 11625, 12432 and 12138 and 2 CFR Part 200, whereby Borrower shall take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

K. **Conditions for Faith-Based Organizations.** Borrower shall comply with CDBG regulations pertaining to faith-based activities found at 24 CFR 570.200(j).

L. **Debarred Contractors.** All contractors, subcontractors, and consultants used by Borrower in the development of the Project shall not be debarred or otherwise prohibited from participation in a federal project pursuant to 2 CFR Part 2424. Borrower shall furnish Lender with evidence of compliance with this provision generated from the System for Award Management ("SAM") at www.sam.gov.

M. **Anti-Lobbying.** Borrower hereby certifies that: (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal 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; (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and (3) It will require that the language of subparagraphs (1) and (2) of this paragraph (L) and the paragraph (M), immediately below, of this certification be included in the award documents for all awards and subawards at all tiers (including subcontracts, subgrants, contracts, and grants under grants, loans, and cooperative agreements) and that Borrower and all contractors and subcontractors shall certify and disclose accordingly.

N. **Lobbying Certification.** This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, USC. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

O. HUD Regulations. All other HUD regulations in effect during the Term pertaining to use of the CDBG Funds.

4.13 RELOCATION. If and to the extent that development of the Project results in the permanent or temporary displacement of residential tenants, homeowners, or businesses, Borrower shall comply with all applicable local, state and federal statutes and regulations with respect to relocation planning, advisory assistance, and payment of monetary benefits, including but not limited to the Uniform Relocation and Real Property Acquisitions Act As Amended (42 USC 4601, et seq.) (“URA”), Section 104(d) of the Housing and Community Development Act of 1974 (42 USC 5304(d)), regulations at 24 CFR Part 42 and 49 CFR Part 24, and HUD Handbook 1378. Borrower shall be solely responsible for payment of any relocation benefits to any displaced persons and any other obligations associated with complying with said relocation laws. If, upon audit review by Lender or by any Federal agency, it is determined that additional relocation payments are due, then Borrower consents to make such payments. In the event Borrower does not make payments as requested by Lender, then such failure to make such payments shall constitute an Event of Default. Lender may require repayment of the County CDBG Loan plus any and all relocation payments due. Without limiting or otherwise affecting the standard indemnity and insurance provisions set forth in Article 6 and Exhibit F, Borrower hereby agrees to indemnify Lender for any action brought against Lender based on an alleged failure to comply with relocation obligations on this Project.

4.14 [This section intentionally left blank.]

ARTICLE 5 OPERATION

5.1 OPERATION OF PROJECT. Borrower shall operate and manage the Project in full conformance with the terms of the County CDBG Loan Regulatory Agreement and CDBG Requirements.

5.2 [This section intentionally left blank.]

5.3 [This section intentionally left blank.]

5.4 [This section intentionally left blank.]

5.5 [This section intentionally left blank.]

5.6 [This section intentionally left blank.]

5.7 [This section intentionally left blank.]

5.8 [This section intentionally left blank.]

5.9 CONFLICTS BETWEEN COVENANTS OR RESTRICTIONS AFFECTING THE PROPERTY. Any conflicts between the restrictive provisions contained in this County CDBG Loan Agreement, the County CDBG Loan Note, the County CDBG Loan Deed of Trust, the County CDBG Loan Regulatory Agreement, and any other agreements in connection with the County CDBG Loan and/or the Property are to be resolved by applying the more restrictive covenant(s) or restriction(s) in the applicable County CDBG Loan Document(s).

5.10 NONDISCRIMINATION. Borrower shall not discriminate or segregate in the development, construction, use, enjoyment, occupancy, conveyance, lease, sublease, or rental of any part of the Property on the basis of race, color, ancestry, national origin, religion, sex, gender, gender identity or expression, sexual preference or orientation, age, marital status, family status, source of income, military or veteran status, physical or mental disability, medical condition, genetic information, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC) acquired or perceived, or any basis prohibited by law. Borrower shall otherwise comply with all applicable local, state, and federal laws concerning discrimination and equal opportunity in housing.

5.11 RECORDS. Borrower shall be accountable to Lender for all County CDBG Loan funds disbursed to Borrower pursuant to the County CDBG Loan Documents and 24 CFR 570.490. Borrower shall maintain records that accurately and fully show the date, amount, purpose, and payee of all expenditures for construction costs drawn from County CDBG Loan funds, and shall maintain all invoices, receipts, and other documents related to expenditures for costs using or reimbursed from County CDBG Loan funds until the later of (i) the date that is six (6) years after the last date of the Term, or (ii) June 30, 2031. Borrower shall maintain all records relating to this County CDBG Loan Agreement and any revenue received by Borrower or the Project until six (6) years after the Term; provided, however, that in the event that any litigation, claim, negotiation, audit monitoring, inspection or other action has been started before the expiration of the required record retention period, all records must be retained until completion of all such action(s) and resolution of all issues which arise in connection with such action(s). Borrower shall maintain all records contemplated herein in an accurate and current manner.

Borrower shall promptly comply with all requirements and conditions of the County CDBG Loan Documents. Borrower shall promptly supply, upon the request of Lender, any and all information and documentation which involves the Project, and shall cooperate with Lender.

5.12 AUDITS. Borrower shall conduct annual audits in accordance with 2 CFR Part 200. Each year during the Term, at least thirty (30) days prior to the anniversary of the Effective Date, Borrower shall submit to Lender an Annual Financial Statement. Borrower shall make available to Lender for examination at reasonable intervals and during normal business hours all books, accounts, reports, files, and other papers or property relating to or prepared in connection with the Property or any of the County CDBG Loan Documents (“Records”), and shall permit Lender to audit, examine, and make excerpts or transcripts from such Records. Lender may make audits of any conditions relating to the County CDBG Loan Documents, including, but not limited to, the right to review, obtain, and copy all records and supporting documentation pertaining to the performance of this County CDBG Loan Agreement and the other County CDBG Loan Documents.

Lender shall notify Borrower of any Records it deems insufficient (“Deficiency Notice”). Borrower shall have fifteen (15) calendar days from the date of such Deficiency Notice to correct all deficiencies in the Records specified by Lender in such Deficiency Notice, or, if more than fifteen (15) days shall be reasonably necessary to correct such deficiencies, Borrower shall submit a written request to Lender for an extension of such 15-day period. Lender shall respond to extension requests within fifteen (15) days of Lender’s receipt thereof. Borrower shall begin to correct such deficiencies within fifteen (15) days, and shall diligently complete correction of all deficiencies identified in the Deficiency Notice as soon as reasonably possible, but in no event later than 60 days after the date of such Deficiency Notice.

5.13 ENCUMBRANCE OF PROPERTY. Borrower shall not engage in any financing or any other transaction creating any security interest or other encumbrance or lien upon the Property, whether by express agreement or operation of law or otherwise, or allow any encumbrance or lien to be made on or attached to the Property, other than the City CDBG Loan, other than with the prior written consent of Lender in each instance. Borrower shall notify Lender in writing in advance of any financing secured by any deed of trust, mortgage, or other similar lien instrument that it proposes to enter into with respect to the Project or Property, and shall immediately notify Lender in writing of any encumbrance or lien that has been created on or attached to the Property whether by voluntary act of Borrower or otherwise, which written notice shall include true and correct copies of all documentation reflecting such encumbrance or lien.

5.14 TRANSFERS. Borrower has not made or created, and shall not make or permit, any sale, assignment, conveyance, or other transfer, directly or indirectly, whether by operation of law or otherwise, of all or any part of or interest in the Property, this County CDBG Loan Agreement, or any of Borrower’s rights or obligations hereunder (“Transfer”) without the prior written consent of Lender in each instance.

5.15 FEES, TAXES, AND OTHER LEVIES. Borrower 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 or the Project and shall pay such charges prior to delinquency. However, Borrower shall not be required to pay and discharge any such charge so long as (a) the legality thereof is being contested diligently and in good faith and by appropriate proceedings, and (b) upon Lender’s request, Borrower deposits with Lender all funds or other forms of assurance Lender deems appropriate to protect Lender from the consequences of such contest being unsuccessful.

5.16 DAMAGE TO PROPERTY. If any building or improvement on the Property (“Improvement”) is damaged or destroyed by an insurable cause, Borrower shall, at its sole cost and expense, diligently undertake to repair or restore all such Improvement(s) to the condition of such Improvement as of the Effective Date or, if erected after the Effective Date, to the condition of such Improvement immediately prior to such damage or destruction, unless Lender reasonably determines that such restoration or repair is not feasible. Borrower shall commence such work or repair within one hundred twenty (120) days after such damage or loss occurs, and shall diligently cause such work to be completed as soon as possible. All insurance proceeds collected by or on behalf of Borrower in connection with such damage or destruction shall be applied to the cost of

such repairs or restoration and, if such insurance proceeds shall be insufficient for such purpose, Borrower shall make up the deficiency.

If Lender determines that restoration or repair is not feasible, then Lender may declare an Event of Default, such that the unpaid principal and all accrued and unpaid interest on the County CDBG Loan shall then be immediately due and payable, and Borrower shall apply all insurance proceeds towards such repayment of the County CDBG Loan.

5.17 EQUAL EMPLOYMENT OPPORTUNITY. Borrower and all contractors, subcontractors, and professional service providers performing services on the Property or otherwise in connection with the Project shall comply with all requirements hereunder concerning equal employment opportunity, and all requirements hereunder concerning equal opportunities for businesses and lower-income persons (referred to as the Section 3 clause of the HUD Act of 1968, 12 USC 1701u).

ARTICLE 6 INDEMNITY AND INSURANCE

6.1 INDEMNITY. Borrower shall comply with the indemnification provisions set forth in the “Standard Indemnification and Insurance Provisions” attached hereto as Exhibit F, and incorporated herein by reference (“Standard Indemnification and Insurance Provisions”).

6.2 INSURANCE. Borrower shall at all times during the Term comply with the insurance provisions set forth in the Standard Indemnification and Insurance Provisions.

6.3 NON-LIABILITY OF OFFICIALS, EMPLOYEES AND AGENTS. No officials, employees or agents of Lender shall be personally liable to Borrower for any obligation created under the terms of these County CDBG Loan Documents.

ARTICLE 7 HAZARDOUS MATERIALS

7.1 REPRESENTATIONS AND WARRANTIES. After reasonable investigation and inquiry, Borrower hereby represents and warrants that, as of the date of this County CDBG Loan Agreement, and except as previously disclosed and acknowledged in writing by Borrower or as disclosed by the reports based on environmental audit(s) performed on the Property and submitted to Lender, that (a) the Property is not and has not been a site for the use, generation, manufacture, transportation, storage, or disposal of Hazardous Materials in violation of Applicable Law; (b) the Property is in compliance with all applicable environmental and health and safety laws, regulations, ordinances, administrative decisions, and common law decisions (whether federal, state, or local) with respect to Hazardous Materials, including, but not limited to, those relating to soil and groundwater conditions (collectively, “Hazardous Materials Laws”); (c) there are no claims or actions pending or threatened with respect to the Property by any governmental entity or agency or any other person relating to Hazardous Materials; and (d) there has been no release or threatened release of any Hazardous Materials on, under, or near the Property (including in the soil, surface water, or groundwater under the Property), or any other occurrences or

conditions on the Property, or on any other real property, that could cause the Property or any part thereof to be classified as a “hazardous waste property” or as a “buffer zone property” under California Health and Safety Code Sections 25100, et seq., or regulations adopted in connection therewith.

7.2 NOTIFICATION TO LENDER. Borrower shall promptly notify Lender in writing of: (a) the discovery of any concentration or amount of Hazardous Materials of which Borrower becomes aware or of which Borrower has direct or constructive knowledge on or under the Property requiring notice to be given to any governmental entity or agency under Hazardous Materials Laws; (b) any knowledge, whether direct or constructive, by Borrower that the Property does not comply with any Hazardous Materials Laws; (c) the receipt by Borrower of notice of any Hazardous Materials claims; and (d) the discovery by Borrower of any occurrence or condition on the Property, or on any real property located within 2,000 feet of the Property, that could cause the Property or any part thereof to be designated as a “hazardous waste property” or as a “buffer zone property” under California Health and Safety Code Sections 25100, et seq., or regulations adopted in connection therewith.

7.3 USE AND OPERATION OF PROPERTY. Borrower shall ensure that none of Borrower, nor any agent, employee, or contractor of Borrower, nor any authorized user of the Property, shall use the Property or allow the Property to be used for the generation, manufacture, storage, disposal, or release of Hazardous Materials. At all times, Borrower shall comply, and cause the Project and use thereof to comply, with all Hazardous Materials Laws.

7.4 REMEDIAL ACTIONS. If at any time Borrower has actual or constructive knowledge of the presence of any Hazardous Materials on or under the Property, Borrower shall promptly undertake, at no cost or expense to Lender, all handling, treatment, removal, storage, decontamination, cleanup, transport, disposal, and other remedial actions, if any, required by any Hazardous Materials Laws, or by any orders or requests of any governmental entity or agency, or any judgment, consent decree, settlement or compromise with respect to any Hazardous Materials claims. The foregoing, however, shall be subject to Borrower’s right of contest below.

7.5 RIGHT OF CONTEST. Borrower may contest in good faith any claim, demand, levy or assessment under Hazardous Materials Laws if: (a) the contest is based on a material question of law or fact raised by Borrower in good faith, (b) Borrower promptly commences and thereafter diligently pursues the contest, (c) the contest will not materially impair the taking of any remedial action with respect to such claim, demand, levy or assessment, and (d) if requested by Lender, Borrower deposits with Lender all funds and other forms of assurance and security that Lender in good faith from time to time determines appropriate to protect Lender from the consequences of such contest being unsuccessful, and any remedial action then reasonably necessary. No Event of Default shall be deemed to exist with respect to any claim, demand, levy or attachment being contested by Borrower under this Section 7.5, provided that Borrower does so in full compliance herewith and with the other Loan Documents and all applicable laws.

7.6 ENVIRONMENTAL INDEMNITY. Without limiting or otherwise affecting the indemnity and insurance provisions set forth in Article 6, above, and Exhibit F, Borrower shall defend, indemnify, and hold Lender free and harmless against any and all claims, demands,

administrative actions, litigation, liabilities, losses, damages, response costs, and penalties, including, but not limited to, all costs of legal proceedings and reasonable attorney's fees, that Lender may directly or indirectly incur, sustain or suffer as a consequence of any inaccuracy or breach of any representation, warranty, agreement, or covenant contained in this County HOME Loan Agreement with respect to Hazardous Materials, or as a consequence of any use, generation, manufacture, storage, release, or disposal (whether or not Borrower knew of same) of any Hazardous Materials occurring prior to or during Borrower's use or occupancy of the Property.

ARTICLE 8 DEFAULT AND REMEDIES

8.1 EVENTS OF DEFAULT. The occurrence of any of the following events shall constitute an "Event of Default" under this County HOME Loan Agreement:

A. Monetary. (1) Borrower's failure to pay when due any sums payable under the County CDBG Loan Note or any advances made by Lender under the County CDBG Loan Deed of Trust or this County CDBG Loan Agreement; (2) Borrower's use of County CDBG Loan funds for costs other than approved costs or for uses inconsistent with other terms and restrictions in the County CDBG Loan Documents; (3) Borrower's failure to obtain and maintain the insurance coverage required under this County CDBG Loan Agreement; (4) Borrower's failure to make any other payment or assessment due under the County CDBG Loan Documents; (5) Borrower's failure to pay taxes; (6) Borrower's default under other debt secured by the Property after the applicable notice and cure periods provided in such other debt or security instruments have expired, if any;

B. [This section intentionally left blank.]

C. Operation. (1) Discrimination by Borrower on any basis prohibited by this County CDBG Loan Agreement or Applicable Law, or (2) the imposition of any encumbrances or liens on the Property without Lender's prior written consent;

D. General performance of County CDBG Loan obligations. Any breach by Borrower beyond applicable notice and cure periods, if any, of any of Borrower's obligations under this County CDBG Loan Agreement or any of the other County CDBG Loan Documents;

E. General performance of other obligations. Any breach by Borrower of any obligations of Borrower imposed by any other agreements, beyond applicable notice and cure periods set forth therein, if any, including, but not limited to, documents evidencing or security the City CDBG Loan, or any grant agreements, with respect to the financing, construction, or operation of the Project or the Property, to the extent that such breach impairs Lender's security under any of the County CDBG Loan Documents;

F. Representations and warranties. A determination by Lender that its security has been or will be materially impaired due to the fact that any of Borrower's representations or warranties made in any of the County CDBG Loan Documents, or any certificates, documents, or schedules supplied to Lender by or on behalf of Borrower, were untrue in any material respect when made, or that Borrower concealed or failed to disclose a material fact from Lender;

G. Damage to or failure to maintain Property. Material damage or destruction to the Property by fire or other casualty if Borrower does not take steps to reconstruct the Project as required herein and otherwise as required by the County CDBG Loan Documents, or if Borrower fails to maintain the Property pursuant to Section 5.1 above;

H. Bankruptcy, dissolution, and insolvency. Borrower's: (1) filing for bankruptcy, dissolution, or reorganization, or failure to obtain a full dismissal of any such involuntary filing brought by another party before the earlier of final relief or ninety (90) days after such filing; (2) making a general assignment for the benefit of creditors; (3) applying for the appointment of a receiver, trustee, custodian, or liquidator, or failure to obtain a full dismissal of any such involuntary application brought by another party before the earlier of final relief or ninety (90) days after the filing; (4) insolvency; (5) failure, inability or admission in writing of its inability to pay its debts as they become due.

I. Program compliance. Any non-compliance with any of the CDBG Requirements including, but not limited to, the provisions of Section 4.12, above, the County CDBG Loan Regulatory Agreement, the Community Development Block Grant Program Final Rule set forth at 24 CFR Part 570, and other Federal requirements set forth at 24 CFR Part 570 Subpart K.

J. Relocation Benefits. Failure to make any payments pursuant to Section 4.13, above.

8.2 NOTICE OF DEFAULT; OPPORTUNITY TO CURE. In the event of an Event of Default, Lender shall give written notice to Borrower of such Event of Default ("Default Notice") specifying: (a) the nature of the event or deficiency giving rise to the Event of Default, (b) whether, in Lender's discretion, such Event of Default is subject to cure, and (c) if the Default Notice indicates that such Event of Default is subject to cure, the action(s) required to cure such Event of Default, and the date(s) by which such action(s) to cure, as specified therein, must be completed, which shall not be less than the time to cure as stated in Paragraph A or B, as applicable, of this Section 8.2, below.

A. **Time to Cure Monetary Default.** In the event of a monetary Event of Default Borrower shall have a period of seven (7) days after such Default Notice within which to cure such monetary Event of Default prior to exercise of remedies by the Lender hereunder, or such longer period of time as may be specified by Lender in such Default Notice.

B. **Time to Cure Non-Monetary Default.** In the event of a non-monetary Event of Default, Lender shall give written notice to Borrower of such Event of Default ("Default Notice") specifying: (a) the nature of the event or deficiency giving rise to the Event of Default, (b) whether, in Lender's sole discretion, such Event of Default is subject to cure, and (c) if the Default Notice indicates that such Event of Default is subject to cure, the action(s) required to cure such Event of Default, and the date(s) by which such action(s) to cure, as specified therein, must be completed.

8.3 LENDER’S REMEDIES. In the event of an Event of Default and, if applicable, failure to cure such Event of Default in accordance with the applicable Default Notice, Lender’s obligation to disburse County CDBG Loan funds shall terminate, and Lender may also, in addition to other rights and remedies permitted by the County CDBG Loan Documents or Applicable Law, proceed with any or all of the following remedies in any order or combination Lender may choose, in Lender’s sole discretion:

A. Terminate this County CDBG Loan Agreement, in which event the entire principal amount outstanding and all accrued and unpaid interest under the County CDBG Loan Note, as well as any other monies advanced to Borrower by Lender under the County CDBG Loan Documents, including, but not limited to, administrative costs, shall immediately become due and payable at the option of Lender;

B. Bring an action in equitable relief (1) seeking the specific performance by Borrower of the terms and conditions of the County CDBG Loan Documents, and/or (2) enjoining, abating, or preventing any violation of said terms and conditions, and/or (3) seeking declaratory relief;

C. Accelerate the County CDBG Loan and demand immediate full payment of the principal amount outstanding and all accrued and unpaid interest under the County CDBG Loan Note, as well as any other monies advanced to Borrower by Lender under the County CDBG Loan Documents plus associated amounts due, such as relocation benefits described in Section 4.13, above;

D. [This section intentionally left blank.]

E. [This section intentionally left blank.]

F. [This section intentionally left blank.]

G. Disburse from County CDBG Loan proceeds any amount necessary to cure any monetary default;

H. Enter upon, take possession of, and manage the Property, either in person, via agent, or by a receiver appointed by a court, and collect rents and other amounts specified in the assignment of rents in the County CDBG Loan Deed of Trust and apply them to operate the Property or to pay off the County CDBG Loan and/or any advances made under the County CDBG Loan Documents, as provided for by the County CDBG Loan Deed of Trust;

I. Initiate and pursue any private and/or judicial foreclosure action allowed under Applicable Law and the power of sale provision in the County CDBG Loan Deed of Trust;

J. With respect to defaults under Hazardous Materials provisions herein, pursue the rights and remedies permitted under California Civil Code Section 2929.5, and California Code of Civil Procedure Sections 564, 726.5, and 736; or

K. Pursue any other remedy allowed at law or in equity. Nothing in this Section 8.3 is intended or shall be construed as precluding Lender from proceeding with a non-judicial foreclosure under the power of sale contained in the County CDBG Loan Deed of Trust in the event of an uncured or incurable Event of Default.

ARTICLE 9 GENERAL PROVISIONS

9.1 BORROWER'S WARRANTIES. Borrower represents and warrants that (1) it has access to professional advice and support to the extent necessary to enable Borrower to fully comply with the terms of each of the County CDBG Loan Documents and to otherwise carry out the Project in a good and workmanlike and professional manner, (2) it is duly organized, validly existing, and in good standing under the laws of the State of California, (3) it has the full power and authority to undertake the Project and to execute the County CDBG Loan Documents, (4) the persons identified in Borrower's signature blocks, below, as executing and delivering the County CDBG Loan Documents on behalf of Borrower are duly authorized to do so, (5) there has been no substantial adverse change in Borrower's financial condition since the date of application for the County CDBG Loan, such as judgment liens, tax liens, mechanic's liens, bankruptcy, etc., and (6) all representations in the Borrower's loan application (including all supplementary submissions) are true, correct and complete in all respects and are offered to induce Lender to make the County CDBG Loan.

9.2 CONTRACT ADMINISTRATION. The County's Community Services Department ("CSD") will serve as the County's (or Lender's) administrator of the Project and the County CDBG Loan Documents. CSD is authorized to collect loan repayments and perform loan and Project monitoring functions and other administrative duties.

9.3 CHANGES OR AMENDMENTS. No changes, modifications, or amendments to this County CDBG Loan Agreement shall be effective unless set forth in a written amendment to this County CDBG Loan Agreement duly executed by both Lender and Borrower which makes specific reference to this County CDBG Loan Agreement, and is signed by a duly authorized representative of each party hereto. Such amendment(s) shall not invalidate any parts of this County CDBG Loan Agreement that are not changed by such amendment, nor relieve or release Lender or Borrower from its obligations under this County CDBG Loan Agreement that are not changed by such amendment. Borrower agrees to not unreasonably withhold its approval of any amendments proposed by Lender that are necessary in order to conform with Applicable Laws and available funding amounts.

The Director of CSD ("Director") or the Director's designee is authorized to approve, in his or her discretion, and execute amendments to the County CDBG Loan Agreement on behalf of Lender to make any one or more of the following changes:

9.3.1 Changes to this County CDBG Loan Agreement that are necessary in order to conform with federal, state or local governmental laws, regulations, ordinances, orders, rules, directives, circulars, bulletins, notices, guidelines, policies and available funding amounts.

9.3.2 Amendments to this County CDBG Loan Agreement which are deemed to be minor by the Director and County Counsel, and which do not adversely affect the County's rights, responsibilities, or interests hereunder.

9.4 **MONITORING AND EVALUATION.** Except as otherwise provided for in this County CDBG Loan Agreement, Borrower shall maintain and submit to Lender, within ten (10) business days of Lender's request for same, records which clearly document Borrower's performance under each requirement of the County CDBG Loan Documents.

9.5 **CONFLICTS OF INTEREST.** Borrower covenants that:

A. Except for approved eligible administrative or personnel costs, no person described in subsection (B) below who exercises or has exercised any functions or responsibilities with respect to the activities funded pursuant to this County CDBG Loan Agreement or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during, or at any time after, such person's tenure. The Borrower shall exercise due diligence to ensure strict compliance with the provisions of this Section 9.5. Any conflict of interest must be reported to the County in accordance with 2 CFR 200.113.

B. The conflict of interest provisions of Section 9.5(A), above, apply to any person who is an employee, agent, consultant, officer, or any immediate family member of such person, or any elected or appointed official of the County, or any person related within the third (3rd) degree of such person.

9.6 **POLITICAL ACTIVITY.** None of the funds, materials, property or services contributed by Lender or Borrower under this County CDBG Loan Agreement shall be used for any partisan political activity or the election or defeat of any candidate for public office.

9.7 **PUBLICITY.** Any publicity produced by Borrower for the Project during the term of the County CDBG Loan and for one year thereafter shall make reference to the contribution of Lender in making the Project possible. The words "The County of Santa Barbara" shall be prominently displayed in any and all pieces of publicity, including but not limited to flyers, press releases, posters, signs, brochures, public service announcements, interviews, and newspaper articles. Borrower further agrees to cooperate with authorized staff and officials of Lender in any Lender-generated publicity or promotional activities undertaken with respect to the Project.

9.8 **TERM OF THIS AGREEMENT.** The term of this County CDBG Loan Agreement shall commence as of the first date on which this CDBG Loan Agreement is duly executed by all of the parties hereto ("Effective Date") and shall terminate on the date that is six (6) years after the Effective Date, unless earlier terminated in accordance with the provisions of this County CDBG Loan Agreement ("Term").

9.9 **GOVERNING LAW.** This County CDBG Loan Agreement and the other County CDBG Loan Documents shall be interpreted under and be governed by the laws of the State of California, except for those provisions relating to choice of law or those provisions preempted by federal law.

9.10 **STATUTORY REFERENCES.** All references in the County CDBG Loan Documents to particular statutes, regulations, ordinances, or resolutions of the United States, the State of California, or the County of Santa Barbara shall be deemed to include the same statute, regulation, ordinance, or resolution as hereafter amended or renumbered, or if repealed, to such other provisions as may thereafter govern the same subject as the provision to which specific reference was made.

9.11 **TIME.** Time is of the essence in this County CDBG Loan Agreement and the other County CDBG Loan Documents.

9.12 **CONSENTS AND APPROVALS.** No approval or consent required under this County CDBG Loan Agreement or any of the other County CDBG Loan Documents shall be effective unless in writing and executed by a duly authorized representative of the party granting such approval or consent.

9.13 **NOTICES, DEMANDS AND COMMUNICATIONS.** Formal notices, demands and communications between Borrower and Lender shall be sufficiently given if, 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 Borrower and Lender as follows:

LENDER: County of Santa Barbara
Housing and Community Development
123 E Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

With copy to: Office of County Counsel
County of Santa Barbara
105 E Anapamu Street, Room 201
Santa Barbara, CA 93101, Suite

BORROWER: Fighting Back Santa Maria Valley
201 South Miller Street, Suite 209
Santa Maria, California 93454
Attention: Executive Director

9.14 **BINDING UPON SUCCESSORS.** All provisions of these County CDBG Loan Documents shall be binding upon and inure to the benefit of the permitted successors-in-interest, permitted transferees, and permitted assigns of each of the parties hereto; provided, however, that this Section 9.14 shall not be construed to waive the prohibition on Transfers by Borrower without Lender's prior written consent in each instance, as set forth in Section 9.16, below.

9.15 RELATIONSHIP OF PARTIES. The relationship of Borrower and Lender for this Project under this County CDBG Loan Agreement is and at all times shall remain solely that of a debtor and a creditor, and shall not be construed as a joint venture, equity venture, partnership, or any other relationship. Lender neither undertakes nor assumes any responsibility or duty to Borrower (except as specifically provided for herein) or any third party with respect to the Project, the Property, or the County CDBG Loan.

9.16 ASSIGNMENT AND ASSUMPTION. Borrower shall not assign or otherwise Transfer, directly or indirectly, whether by operation of law or otherwise, this County CDBG Loan Agreement or any of the other County CDBG Loan Documents, or any of its interest herein or therein, or any of its rights or obligations hereunder or thereunder, without the prior written consent of Lender in each instance. Any purported Transfer in violation of the foregoing provisions of this Section 9.16 shall be void *ab initio*.

9.17 WAIVER. All consents and waivers by Lender of any obligation in County CDBG Loan Agreement or any of the other County CDBG Loan Documents must be in writing duly executed by Lender. No waiver shall be implied from any delay or failure by Lender to take action with respect to any breach or default of Borrower or to pursue any remedy allowed under this County CDBG Loan Agreement or any of the other County CDBG Loan Documents or Applicable Law. Any extension of time granted to Borrower to perform any obligation under this County CDBG Loan Agreement or any of the other County CDBG Loan Documents shall not operate as a waiver or release from any of Borrower's obligations under the County CDBG Loan Documents. Consent by Lender to any act or omission by Borrower shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for Lender's written consent to any other action in any other instance.

9.18 INTEGRATION. This County CDBG Loan Agreement and the other County CDBG Loan Documents, including all exhibits hereto and thereto, contain the entire agreement of the parties hereto with respect to the subject matter hereof and supersede any and all prior negotiations and agreements with respect to the subject matter hereof.

9.19 OTHER AGREEMENTS. Borrower represents that it has not entered into any agreements that are inconsistent with the provisions of this County CDBG Loan Agreement or any of the other County CDBG Loan Documents. Borrower shall not enter into any agreements that are inconsistent with any provision of this County CDBG Loan Agreement or any of the other County CDBG Loan Documents without Lender's prior written consent in each instance.

9.20 SEVERABILITY. Every provision of this County CDBG Loan Agreement is intended to be severable in the event that any provision of this County CDBG Loan Agreement is held invalid, illegal, or unenforceable by a court of competent jurisdiction, in which case, the validity, legality, and enforceability of the remaining provisions of this County CDBG Loan Agreement shall not thereby in any way be affected or impaired.

9.21 COUNTERPARTS. This County CDBG Loan Agreement may be executed in any number of counterparts, each of which is an original and all of which taken together form one single document.

Exhibits

- A: Legal Description of the Property
- B: Budget
- C: County CDBG Loan Deed of Trust
- D: County CDBG Loan Promissory Note
- E: County CDBG Loan Regulatory Agreement
- F: Standard Indemnification and Insurance Provisions
- G: CDBG Grant Agreement
- H: Sample ESPR

[Signatures appear on following page. No further text appears here.]

IN WITNESS WHEREOF, County and Borrower have caused this County CDBG Loan Agreement to be executed by their respective duly authorized representatives, as set forth below, effective as of the Effective Date.

BORROWER:

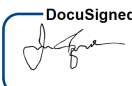
FIGHTING BACK SANTA MARIA VALLEY,
a California nonprofit public benefit corporation

By  Frank Edwin Weaver, Chief Executive Officer
A94243558B504C5...

County signatures follow

IN WITNESS WHEREOF, County and Borrower have caused this County HOME Loan Agreement to be executed by their respective duly authorized representatives, as set forth below, effective as of the Effective Date.

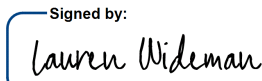
APPROVED AS TO ACCOUNTING FORM:
BETSY M. SCHAFFER, CPA, CPFO
AUDITOR-CONTROLLER

DocuSigned by:

6BAAEA15901943F ...
By: _____
Deputy

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

By: _____
Steve Lavagnino, Board Chair

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

Signed by:

8F464D822C84458 ...
By: _____
Deputy County Counsel

APPROVED AS TO FORM:
RISK MANAGEMENT

Signed by:

05F555F00269466 ...
By: _____
Gregory Milligan ARM, AIC

APPROVED BY DEPARTMENT:
COMMUNITY SERVICES DEPARTMENT

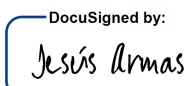
DocuSigned by:

E33B804A6E03475 ...
By: _____
Jesús Armas, Director

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 121-234-055

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

BEING A PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 10 NORTH, RANGE 34 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, SHOWN ON A MAP RECORDED IN BOOK 88, RECORDS OF SURVEYS AT PAGE 23, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE FOR CHAPEL STREET AND THE WESTERLY RIGHT OF WAY LINE FOR ELIZABETH STREET AS SHOWN ON SAID MAP;

THENCE FOLLOWING SAID SOUTHERLY RIGHT OF WAY LINE SOUTH 89°39'20" WEST 94.0 FEET TO THE TRUE POINT OF BEGINNING;

THENCE LEAVING SAID SOUTHERLY RIGHT OF WAY LINE SOUTH 0°39'28" WEST 126.32 FEET;

THENCE NORTH 89°47'24" WEST 75.00 FEET;

THENCE NORTH 0°39'28" EAST 125.60 FEET TO A POINT ON SAID SOUTHERLY RIGHT OF WAY LINE FOR CHAPEL STREET;

THENCE FOLLOWING SAID SOUTHERLY RIGHT OF WAY LINE NORTH 89°39'20" EAST 75.00 FEET TO THE TRUE POINT OF BEGINNING.

ALSO BEING SHOWN AS LOT 1 ON ARMSTRONG LOT LINE ADJUSTMENT, TRACT NO. 5548, IN THE CITY OF SANTA MARIA, STATE OF CALIFORNIA, RECORDED APRIL 2, 1990 AS INSTRUMENT NO. 90-021688, RE-RECORDED SEPTEMBER 20, 1990 AS INSTRUMENT NO. 90-61862 OF OFFICIAL RECORDS.

EXHIBIT B

BUDGET

EXHIBIT B

PROJECT BUDGET

1. PROJECT BUDGET

	COUNTY CDBG	CITY CDBG	TOTAL BUDGET
ACQUISITION	\$299,000	\$300,000	\$599,000

2. DRAW REQUESTS

Draw requests must include:

- a. Expenditure Summary and Payment Request (ESPR) – County form
- b. Supporting documentation, to include third-party invoices or receipts and proof of payment such as bank records or cancelled checks.

EXHIBIT C

COUNTY HOME LOAN DEED OF TRUST

NO FEE DOCUMENT

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

County of Santa Barbara
Housing and Community Development
123 E. Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

NO FEE DOCUMENT PURSUANT TO
CALIFORNIA GOVERNMENT CODE SECTION 27383

**COUNTY CDBG LOAN DEED OF TRUST,
ASSIGNMENT OF RENTS, AND SECURITY AGREEMENT**

THIS COUNTY CDBG LOAN DEED OF TRUST, ASSIGNMENT OF RENTS, AND SECURITY AGREEMENT (“County CDBG Loan Deed of Trust”) is made as of December [], 2024, by Fighting Back Santa Maria Valley, a California nonprofit public benefit corporation (“Trustor”), to First American Title Company as trustee (“Trustee”), for the benefit of the County of Santa Barbara, a political subdivision of the State of California (“Beneficiary”).

GRANT IN TRUST

1. **GRANT.** Trustor, in consideration of the indebtedness referred to below, hereby irrevocably grants and conveys to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, all of Trustor’s interest in the property located at 526 East Chapel Street, in the city of Santa Maria, which is located in Santa Barbara County, California, as more particularly described in the attached Exhibit A, incorporated herein by this reference (the “Property”);

TOGETHER WITH all interest, estates or other claims, both in law and in equity which Trustor now has or may hereafter acquire in the Property; all buildings, structures, fixtures, improvements, signs, and landscaping now or hereafter erected or located on the Property, including all equipment and machinery used for supplying or distributing heating, cooling, electricity, gas, water, air, and light, all kitchen and laundry appliances such as washers, dryers, refrigerators, garbage disposals, ovens, ranges, dishwashers, all plumbing and bathroom fixtures, all security and access control equipment, fire prevention and extinguishment equipment, elevators, floor coverings, window coverings, paneling, cabinets, (provided, however, that Trustor shall have the right to remove, if necessary, such fixtures, furnishings, and equipment for the

purpose of replacement with similar items of the same quality performing the same functions, which replacements shall themselves become part of this grant); all building material and equipment either now or hereafter delivered to the Property and intended to be installed therein or any such material and equipment purchased in whole or in part with CDBG Funds whether or not located on the Property; all reserves, accounts, deferred payments, and refunds relating to development on the Property; all Revenue, including rents and income generated by or derived from the Property or improvements thereon (subject however to the assignment of rents to Beneficiary contained herein); all leases, subleases, rental agreements and licenses covering the Property or any portion thereof now existing or hereafter entered into, and all interests of Trustor in security deposits, advance rentals, accounts, payments, and receivables of similar nature with respect to such leases, subleases, rental agreements and licenses; all easements and rights-of-way appurtenant to the Property, including parking and recreational easements, and all interests of Trustor in any land lying within the right-of-way of any streets, sidewalks, and areas of land adjacent to or used in connection with the Property; all development rights and credits, air rights, water rights, and oil, gas or mineral rights with respect to the Property; all claims or demands with respect to insurance proceeds, bonds, warranties, guarantees and sureties, and all awards made for a taking by eminent domain; all interests and rights in any private or government grants, subsidies, loans, or other financing with respect to development on the Property; all interests in personal property used in and about the Property (except furniture and other personal property of occupants of dwelling units on the Property); all intangible Property and rights relating to the Property or operations on the Property, including copyrights, patents, trade names, goodwill, trademarks, and service marks; all government permits, approvals, and map rights related to construction of the Property; all architectural, structural, and mechanical plans, specifications, designs, studies, and data with respect to construction or improvements on the Property; all environmental tests, studies and reports with respect to the Property; all current and future claims and rights of action of Trustor against prior owners and operators of the Property, neighboring property owners and operators, tenants and former tenants, consultants, advisors, and other third parties with respect to environmental or Hazardous Materials contamination and cleanup of the Property under any federal, state, or local ordinances, statutes, regulations, or administrative decisions or common law.

All of the foregoing, together with the Property, is herein referred to as the “Security.”

OBLIGATIONS SECURED

2. **OBLIGATIONS.** Trustor makes this grant for the purpose of securing the following obligations of Trustor:

A. Repayment of the indebtedness of Trustor to Beneficiary in the principal sum of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), with interest thereon, evidenced by the County CDBG Loan Promissory Note executed by Trustor on or about the date hereof, in the original principal amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), (the “County CDBG Loan Note”), on file at the offices of Beneficiary and hereby incorporated by reference into this County CDBG Loan Deed of Trust, or as much of such principal sum as has been disbursed to Trustor thereunder; and

B. Payment of any sums advanced by Beneficiary to protect the Security and priority of this County CDBG Loan Deed of Trust; and

C. Payment of any sums advanced by Beneficiary following a breach of Trustor's obligation for payment of said sums, such as Trustor's obligation to pay fees, assessments, taxes, charges, and levies imposed by any public authority or utility company and/or Trustor's obligation to pay any sums payable under the County CDBG Loan Note and the expiration of any applicable cure period, with interest thereon as provided herein; and

D. Performance of every obligation, covenant or agreement of Trustor contained in this County CDBG Loan Deed of Trust, the County CDBG Loan Note, and the County CDBG Loan Agreement executed between Trustor and Beneficiary on file at the offices of Beneficiary and hereby incorporated into this County CDBG Loan Deed of Trust by this reference, including all exhibits thereto ("County CDBG Loan Agreement"), and the County CDBG Loan Regulatory Agreement executed between Trustor and Beneficiary of even date herewith ("County CDBG Loan Regulatory Agreement"), including all modifications, extensions and renewals of such obligations; and

E. Performance of any other obligation or repayment of any other indebtedness of Trustor to Beneficiary, where such evidence of obligation or indebtedness specifically recites that it is secured by this County HOME Loan Deed of Trust; and

F. Performance of any obligations of Trustor in any other agreements with respect to financing of development of the Property or the Security, the failure to perform or the absence of which would adversely affect Beneficiary, whether or not Beneficiary is a party to such agreements.

ABSOLUTE ASSIGNMENT OF RENTS AND RIGHT TO POSSESSION

3. **ASSIGNMENT.** As additional security, Trustor hereby assigns to Beneficiary: (a) all of the Revenue, rents, profits, and income from the Security, any deposits now or hereafter in Trustor's possession which have been collected with respect to the Security, and any reserve or capital funds now or hereafter held by Trustor with respect to construction or operation of the Security (collectively, the "Rents"); and (b) the right to enter, take possession of, and manage the Security; provided, however that Trustor shall have, before an Event of Default, the exclusive right to possess the Security and to collect Rents and use them in accordance with the documents described in Section 2.D., above (collectively, the "County CDBG Loan Documents"). The assignment in this Section 3 is intended to be an absolute and present transfer of Trustor's interest in existing and future Rents, effective as of the date of this County CDBG Loan Deed of Trust.

4. **ENFORCEMENT.** Upon the occurrence of an Event of Default which remains uncured after expiration of the applicable cure period, if any, pursuant to the terms of the County CDBG Loan Agreement or other County CDBG Loan Documents and the applicable Default Notice, Beneficiary may, in addition to other rights and remedies permitted by the County CDBG Loan Agreement, this County CDBG Loan Deed of Trust, or applicable law: (a) enter upon, take possession of, and manage the Security, either in person as a mortgagee-in-possession, by agent,

or by a receiver appointed by a court, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Security, (b) collect all Rents, including those past due and unpaid, and apply the same to pay for the Project Related Costs, costs and expenses of operation of the Security, including attorneys' fees, and pay off any indebtedness secured by this County CDBG Loan Deed of Trust, all in such order as Beneficiary may determine, (c) enter upon and take possession of the Security, and complete construction of any improvements on the Security as provided for in the plans and specifications approved under the County CDBG Loan Agreement or any modifications to the plans and specifications or the development of the Security that Beneficiary in its sole discretion believes is appropriate, and/or (d) Beneficiary may make, cancel, enforce, and modify leases and rental agreements, obtain and evict tenants, set and modify rent terms, sue for rents due, enter into, modify, or terminate any contracts or agreements, or take any legal action, as it deems necessary with respect to the Rents or to development or operation of the Security, subject to the rent restrictions imposed against the Property by the County CDBG Loan Regulatory Agreement.

5. APPOINTMENT OF A RECEIVER. In any action to enforce this assignment, Beneficiary may apply for the appointment of a receiver to take possession of the Security and take whatever measures are necessary to preserve and manage the Security for the benefit of Beneficiary and the public interest. Trustor hereby consents to the appointment of a receiver. The receiver shall have all of the authority over the Security that Beneficiary would have if Beneficiary took possession of the Security under this assignment as a mortgagee-in-possession, including the right to collect and apply Rents and the right to complete construction of improvements.

6. NO WAIVER OF POWER OF SALE. The entering upon and taking possession of the Security and the collection of Rents shall not cure or waive any Event of Default or notice of default hereunder or under any of the County CDBG Loan Documents or invalidate any act done by Beneficiary, Beneficiary's agents or a receiver in response to such Event of Default or notice of default and, notwithstanding the continuance in possession of the Security or the collection and application of Rents, Beneficiary shall be entitled to exercise every right provided for in this County CDBG Loan Deed of Trust, in the County CDBG Loan Documents or by law upon occurrence of any Event of Default, including the right to exercise the power of sale.

COMMERCIAL CODE SECURITY AGREEMENT

7. GRANT. This County CDBG Loan Deed of Trust is intended to be a security agreement and financing statement pursuant to the California Commercial Code for any of the items specified above as part of the Security which under applicable law may be subject to a security interest pursuant to the California Commercial Code, and Trustor hereby grants Beneficiary a security interest in the Security. Beneficiary may file a copy of this County CDBG Loan Deed of Trust in the real estate records or other appropriate index as a financing statement for any of the items specified as part of the Security. Trustor shall execute and deliver to Beneficiary at Beneficiary's request any financing statements, as well as extensions, renewals, and amendments thereof, and copies of this instrument in such form as Beneficiary may require to perfect a security interest with respect to the Security. Trustor shall pay all costs of filing such financing statements and shall pay all reasonable costs of any record searches for financing statements and releases. Without the prior written consent of Beneficiary, Trustor shall not create

or permit any other security interest in the Security. This County CDBG Loan Deed of Trust constitutes a fixture filing under Division 9 of the California Commercial Code.

8. **REMEDIES.** Upon Trustor's breach of any obligation or agreement in any of the County CDBG Loan Documents, after expiration of any applicable cure period, Beneficiary shall have the remedies of a secured party under the California Commercial Code and at Beneficiary's option may also invoke the remedies provided for elsewhere in this County CDBG Loan Deed of Trust or County CDBG Loan Documents. Beneficiary may proceed against the Security specified above separately or together and in any order whatsoever.

RIGHTS AND OBLIGATIONS OF TRUSTOR

9. **PERFORMANCE OF SECURED OBLIGATION.** Trustor shall promptly perform each obligation secured by this County CDBG Loan Deed of Trust in accordance with the County CDBG Loan Documents.

10. **PAYMENT OF PRINCIPAL AND INTEREST.** Trustor shall promptly pay when due the principal and any interest due on the indebtedness evidenced by the County CDBG Loan Note.

11. **MAINTENANCE OF THE SECURITY.** Trustor shall, at the Trustor's own expense, maintain and preserve the Security or cause the Security to be maintained and preserved in good condition, in good repair, ordinary wear and tear excepted, and in a decent, safe, sanitary, habitable and tenantable condition. Trustor shall not cause or permit any violation of any laws, ordinances, regulations, covenants, conditions, restrictions, or equitable servitudes as they pertain to improvements, alterations, maintenance or demolition on the Security. Trustor shall not commit or permit intentional waste on or to the Security. Trustor shall not abandon the Security. Beneficiary shall have no responsibility over maintenance of the Security. In the event Trustor fails to maintain the Security in accordance with the provisions of this County CDBG Loan Deed of Trust or any of the other County CDBG Loan Documents, and after any applicable cure periods, Beneficiary may, but shall be under no obligation to, make such repairs or replacements as are necessary and provide for payment thereof. Any amount so advanced by Beneficiary, together with interest thereon from the date of such advance at the same rate of interest as specified in the County CDBG Loan Note (unless payment of such an interest rate would be contrary to applicable law, in which event such sums shall bear interest at the highest rate then allowed by applicable law), shall become an additional obligation of Trustor to Beneficiary and shall be secured by this County CDBG Loan Deed of Trust.

12. **INSPECTION OF THE SECURITY.** Trustor shall permit Beneficiary to enter and inspect the Security during normal business hours for compliance with these obligations upon at least 24 hours' advance notice of such visit by Beneficiary to Trustor or Trustor's management agent.

13. **LIENS, ENCUMBRANCES, AND CHARGES.** Trustor shall discharge any lien or encumbrance not approved by Beneficiary in writing that may attain priority over this County CDBG Loan Deed of Trust, as provided for in the County CDBG Loan Agreement.

14. DEFENSE AND NOTICE OF CLAIMS AND ACTIONS. Trustor shall appear in and defend, at its own expense, any action or proceeding purporting to affect the Security and/or the rights of Beneficiary. Trustor shall give Beneficiary and Trustee prompt notice in writing of the assertion of any claim, of the filing of any action or proceeding and of any condemnation offer or action with respect to the Security upon Trustor's receipt of notice thereof.

15. SUITS TO PROTECT THE SECURITY. Beneficiary shall have all rights, power and authority to institute and maintain such suits and proceedings as it may deem expedient (a) to prevent any impairment of the Security or Rents or prejudice to any interest or right of Beneficiary, (b) to preserve or protect its interest in the Security and in the Rents, and (c) to restrain or enjoin the enforcement of or compliance with any governmental legislation, regulation, or order if the enforcement of or compliance with such legislation, regulation, or order would impair the Security or Rents or be prejudicial to any interest or right of Beneficiary.

16. DAMAGE TO SECURITY. Trustor shall give Beneficiary and Trustee prompt notice in writing of any damage to or destruction of the Security. If any Security is damaged or destroyed, Trustor shall, at its cost and expense, repair or restore said Security materially consistent with the original plans and specifications. Such work or repair shall be commenced within one hundred twenty (120) days after the damage or loss occurs and shall be completed within one year thereafter. All insurance proceeds collected for such damage or destruction shall be applied to the cost of such repairs or restoration and, if such insurance proceeds shall be insufficient for such purpose, Trustor shall make up the deficiency.

17. TITLE. Trustor warrants that Trustor lawfully has legal title to the Security without any limitation on the right to encumber other than those limitations set forth in the CDBG Promissory Loan Document, County CDBG Loan Agreement, County CDBG Loan Deed of Trust and County CDBG Loan Regulatory Agreement approved by Beneficiary.

18. GRANTING OF EASEMENTS. Trustor may not grant easements, licenses, rights-of-way or other rights or privileges in the nature of easements with respect to the Security except those required or desirable for installation and maintenance of public utilities including water, gas, electricity, sewer, cable television, telephone, or those required by law.

19. TAXES AND LEVIES. Trustor 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 or the Project, and shall pay such charges prior to delinquency. However, Trustor shall not be required to pay and discharge any such charge so long as (a) the legality thereof is being contested diligently and in good faith and by appropriate proceedings, and (b) if requested by Beneficiary, Trustor deposits with Beneficiary any funds or other forms of assurance Beneficiary in good faith from time to time determines appropriate to protect Beneficiary from the consequences of the contest being unsuccessful.

20. INSURANCE. Trustor shall provide such insurance as required under the County CDBG Loan Documents. In the event Trustor fails to maintain the full insurance coverage required by this County CDBG Loan Deed of Trust and the other County CDBG Loan Documents,

Beneficiary, after at least seven business days' prior notice to Trustor, may, but shall be under no obligation to, take out such policies of insurance and pay the premiums on such policies. Any amount so advanced by Beneficiary, together with interest thereon from the date of such advance at the same rate of indebtedness as specified in the County CDBG Loan Note (unless payment of such an interest rate would be contrary to applicable law, in which event such sums shall bear interest at the highest rate then allowed by applicable law), shall become an additional obligation of Trustor to Beneficiary and shall be secured by this County CDBG Loan Deed of Trust.

21. CONDEMNATION. All judgments, awards of damages, settlements and compensation made in connection with or in lieu of taking all or any part of or interest in the Security under assertion of the power of eminent domain ("Condemnation Funds") are hereby assigned to and shall be paid to Beneficiary. Beneficiary is authorized (but not required) to collect and receive all Condemnation Funds and is authorized to apply them in whole or in part upon any indebtedness or obligation secured hereby, in such order and manner as Beneficiary shall determine at its sole option. All or any part of the Condemnation Funds so collected and recovered by Beneficiary may be released to Trustor upon such conditions as Beneficiary may impose in Beneficiary's sole discretion. Application of all or any part of the Condemnation Funds collected and received by Beneficiary or the release thereof shall not cure or waive any Event of Default under this County CDBG Loan Deed of Trust or any of the other County CDBG Loan Documents.

Trustor shall have the right to rebuild repair or restore and operate the Security using available Condemnation Funds therefor, provided that (a) such Funds are sufficient to keep the all loans encumbering the Property in balance and rebuild, repair or restore and operate the Security in compliance with the County CDBG Loan Regulatory Agreement and in a manner that provides adequate security to Beneficiary for repayment of the County CDBG Loan or, if such Funds are insufficient or such security is inadequate, then Trustor shall have funded such deficiency and/or provided additional security to the satisfaction of Beneficiary; (b) Beneficiary shall have the right to approve plans and specifications for any rebuild, repair or restoration and the right to require that disbursement of insurance proceeds and Funds for rebuilding repairing or restoring improvements on the Property be placed in a construction escrow or similar arrangement subject to Beneficiary's approval ; and (c) no Event of Default then exists under any of the County CDBG Loan Documents.

22. ACCELERATION ON TRANSFER OF SECURITY; ASSUMPTION. In the event that Trustor, without the prior written consent of the Beneficiary, sells, encumbers, Transfers, or conveys, or agrees to sell, encumber, Transfer, or convey, its interest in the Security or any part thereof or any interest therein, or this County CDBG Loan Deed of Trust or any of Trustor's rights or obligations hereunder, Beneficiary may, in its sole discretion, declare an Event of Default hereunder and declare any or all sums secured by this County CDBG Loan Deed of Trust to be immediately due and payable.

23. RECONVEYANCE BY TRUSTEE. This County CDBG Loan Deed of Trust shall remain in effect and continue for the entire Term of the County CDBG Loan Agreement. Upon written request of Beneficiary stating that all sums secured by this County CDBG Loan Deed of Trust have been paid and upon surrender of this County CDBG Loan Deed of Trust to Trustee for

cancellation and retention, and upon payment by Trustor of Trustee's reasonable fees, Trustee shall reconvey the Security to Trustor, or to the person or persons legally entitled thereto.

DEFAULT AND REMEDIES

24. EVENTS OF DEFAULT. Any of the events listed in the County CDBG Loan Agreement as an Event of Default shall also constitute an Event of Default under this County CDBG Loan Deed of Trust.

25. ACCELERATION OF MATURITY. Upon the happening of an Event of Default which, if subject to cure as provided in the applicable Default Notice, has not been cured within the time and in the manner provided in the County CDBG Loan Agreement and such Default Notice, Beneficiary may declare all sums advanced to Trustor under the County CDBG Loan Note and this County CDBG Loan Deed of Trust immediately due and payable.

26. BENEFICIARY'S REMEDIES. Upon the occurrence of an Event of Default which, if subject to cure as provided in the applicable Default Notice, has not been cured within the time and in the manner provided in the County CDBG Loan Agreement and such Default Notice, Beneficiary may, in addition to other rights and remedies permitted by the County CDBG Loan Agreement, the County CDBG Loan Note, or applicable law, proceed with any or all of the following remedies:

A. Enforce the assignment of Rents and right to possession as provided for in this County CDBG Loan Deed of Trust, and/or seek appointment of a receiver to take over possession of the Security and collect Rents;

B. Enter the Security and take any actions necessary in its judgment to complete construction on the Security, either in person or through a receiver appointed by a court;

C. Advance any amount necessary to cure any monetary Event of Default under this County CDBG Loan Deed of Trust, the County CDBG Loan Agreement, or the County CDBG Loan Note;

D. Commence an action to foreclose this County CDBG Loan Deed of Trust pursuant to California Code of Civil Procedure Section 725a et seq., as amended, and/or seek appointment of a receiver from a court of competent jurisdiction with the authority to protect Beneficiary's interests in the Security, including the authority to complete construction of improvements;

E. Deliver to Trustee a written declaration of default and demand for sale, and a written notice of default and election to cause Trustor's interest in the Security to be sold and exercise its power of sale as provided for below; and/or

F. Pursue any other rights and remedies allowed at law or in equity.

27. FORECLOSURE BY POWER OF SALE. Should Beneficiary elect to foreclose by exercise of the power of sale contained in this County CDBG Loan Deed of Trust, Beneficiary shall notify Trustee and shall deposit with Trustee this County CDBG Loan Deed of Trust (the deposit of which shall be deemed to constitute evidence that the unpaid sums disbursed under the County CDBG Loan Note are immediately due and payable), and such receipts and evidence of any advances made that are additionally secured hereby as Trustee may require.

Upon receipt of such notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Trustor such notice of default and election to sell as then required by law and by this County CDBG Loan Deed of Trust. Trustee shall, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such notice of default and after notice of sale having been given as required by law, sell the Security, at the time and place of sale fixed by it in said notice of sale, whether as a whole or in separate lots or parcels or items as Trustee shall deem expedient and in such order as it may determine unless specified otherwise by Trustor, at public auction to the highest bidder for cash or credit in lawful money of the United States payable at the time of sale. Trustee shall deliver to the purchaser its deed or deeds conveying the Security so sold, but without any covenant or warranty, express or implied. Any person, including, without limitation, Trustor, Trustee, or Beneficiary, may purchase at the sale.

Trustee may postpone the sale of all or any portion of the Security by public announcement at such time and place of sale, and from time to time thereafter, and without further notice make such sale at the time fixed by the last postponement, or may, in its discretion, give a new notice of sale.

28. APPLICATION OF SALE PROCEEDS. After deducting all reasonable costs, fees and expenses of Trustee, including costs of evidence of title in connection with such sale, Trustee shall apply the proceeds of sale as follows: first, to the payment of all sums then secured by this County CDBG Loan Deed of Trust, in such order and amounts as Beneficiary in its sole discretion determines; and second, the remainder, if any, to the person or persons legally entitled thereto.

29. REMEDIES CUMULATIVE. No right, power or remedy conferred upon or reserved to Beneficiary by this County CDBG Loan Deed of Trust is intended to be exclusive of any other rights, powers or remedies, but each such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity.

GENERAL PROVISIONS

30. GOVERNING LAW. This County CDBG Loan Deed of Trust shall be interpreted under and 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.

31. STATEMENT OF OBLIGATION. Beneficiary may collect a fee from Trustor not to exceed the maximum allowable under applicable law for furnishing a statement of obligations as provided in the California Civil Code.

32. CONSENTS AND APPROVALS. No consent or approval of Beneficiary in connection with this County CDBG Loan Deed of Trust shall be effective unless in writing duly executed by Beneficiary.

33. TIME. Time is of the essence with respect to this County CDBG Loan Deed of Trust.

34. NOTICES, DEMANDS AND COMMUNICATIONS. Formal notices, demands and communications between Trustor and Beneficiary shall be sufficiently given and shall not be deemed given unless dispatched by USPS registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the Trustor or Beneficiary at the address set forth for such party below:

BENEFICIARY: County of Santa Barbara
Housing and Community Development
123 E. Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

With copy to: Office of County Counsel
County of Santa Barbara
105 E Anapamu Street, Room 201
Santa Barbara, CA 93101

TRUSTOR: Fighting Back Santa Maria Valley
201 South Miller Street, Suite 209
Santa Maria, California 93454
Attention: Executive Director

35. BINDING UPON SUCCESSORS. All provisions of this County CDBG Loan Deed of Trust shall be binding upon and inure to the benefit of the successors-in-interest, transferees, and assigns of Trustor, Trustee, and Beneficiary; provided, however, that Trustor shall not Transfer this County CDBG Loan Deed of Trust or any of Trustor's rights or obligations hereunder without the prior written consent of Beneficiary in each instance.

36. WAIVER. No waiver by Beneficiary of any obligation of Trustor in this County CDBG Loan Deed of Trust shall be effective unless in writing signed by Beneficiary. No waiver will be implied from any delay or failure by Beneficiary to take action on any breach or Event of Default of Trustor or to pursue any remedy allowed under the County CDBG Loan Deed of Trust, the other County CDBG Loan Documents, or applicable law. Any extension of time granted to Trustor to perform any obligation under this County CDBG Loan Deed of Trust shall not operate as a waiver or release Trustor from any of its obligations under this County CDBG Loan Deed of Trust. Consent by Beneficiary to any act or omission by Trustor shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for Beneficiary's written consent to future waivers.

37. AMENDMENTS AND MODIFICATIONS. No amendment of or modification to this County CDBG Loan Deed of Trust shall be effective unless it is in writing duly executed by both Beneficiary and Trustor.

38. LOAN AGREEMENT CONTROLS. If there is any contradiction between this County CDBG Loan Deed of Trust and the County CDBG Loan Agreement, the terms of the County CDBG Loan Agreement shall control, except that Trustor shall have no defense or claim that this County CDBG Loan Deed of Trust does not establish a valid lien on the Property or the Security.

39. DEFINITIONS. Capitalized terms used but not otherwise defined in this County CDBG Loan Deed of Trust shall have the same meaning ascribed to such terms in the County CDBG Loan Agreement.

40. PROOFS OF CLAIM. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, recomposition or other proceedings affecting Trustor, its creditors or its property, Trustee, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Beneficiary allowed in such proceedings and for any additional amount which may become due and payable by Trustor hereunder after such date.

41. SEVERABILITY. Every provision of this County CDBG Loan Deed of Trust is intended to be severable in the event that any term or provision of this County CDBG Loan Deed of Trust is declared to be illegal, invalid, or unenforceable by a court of competent jurisdiction, in which case, the legality, validity, and enforceability of the remaining provisions hereof shall not be affected. If the lien of this County CDBG Loan Deed of Trust is invalid or unenforceable as to any part of the Trustor's indebtedness or the Trustor's obligations secured thereby, or if the lien is invalid or unenforceable as to any part of the Security, the unsecured or partially secured portion of the Trustor's indebtedness and all payments made on the indebtedness (whether voluntary or under foreclosure or other enforcement action or procedure) shall be considered to have been first paid or applied to the payment of that portion of the indebtedness which is not secured or partially secured by the lien of this County CDBG Loan Deed of Trust.

42. SUBSTITUTION OF TRUSTEES. Beneficiary may from time to time appoint another trustee to act in the place and stead of Trustee or any successor. Upon such appointment and without conveyance, the successor trustee shall be vested with all title, powers, and duties conferred upon Trustee.

43. ACCEPTANCE BY TRUSTEE. Trustee accepts this trust when this County CDBG Loan Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law, the Trustee is not obligated to notify any party hereto of pending sale under this County CDBG Loan Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

44. [This section intentionally left blank.]

45. **NONRECOURSE.** Except as expressly provided in the second paragraph of this Section 45, the Trustor's officers, directors, employees and agents shall not have any direct personal liability for payment of the principal of, or interest on, the County CDBG Loan Promissory Note. However, nothing contained in the foregoing limitation of liability shall (i) limit or impair the enforcement against all such security for the County CDBG Loan Promissory Note of all the rights and remedies of the Beneficiary, or (ii) be deemed in any way to impair the right of the Beneficiary to assert the unpaid principal amount of the County CDBG Loan Promissory Note as demand for money within the meaning and intent of Section 431.70 of the California Code of Civil Procedure or any successor provision thereto.

The foregoing limitation of liability is intended to apply only to the obligation for the repayment of the principal of, and payment of interest on the County CDBG Loan Promissory Note, except as hereafter set forth; nothing contained herein is intended to relieve the Trustor, or any of Trustor's officers, directors, employees or agents of personal liability to the extent of actual damages for such party's (i) fraud or willful misrepresentation; (ii) failure to pay taxes, assessments or other charges which may create liens on the Property that are payable or applicable prior to any foreclosure under the County CDBG Loan Deed of Trust (to the full extent of such taxes, assessments or other charges); (iii) the fair market value of any personal property or fixtures removed or disposed of by or on behalf of the Trustor or any of Trustor's officers, directors, employees or agents, other than in accordance with the County CDBG Loan Deed of Trust; (iv) the material misapplication of any proceeds under any insurance policies or awards resulting from condemnation or the exercise of the power of eminent domain or by reason of damage, loss or destruction to any portion of the Property; (v) the Trustor's indemnification obligations under the County CDBG Loan Agreement; and (vi) payment to the Beneficiary of any rental income or other income arising with respect to the Property received by the Trustor after the Beneficiary has given notice to the Trustor of the occurrence of an Event of Default and after the expiration of all applicable notice and cure periods.

[Signatures appear on following page. No further text appears here.]

IN WITNESS WHEREOF, Trustor has executed this County CDBG Loan Deed of Trust as of the day and year first above written.

TRUSTOR:

FIGHTING BACK SANTA MARIA VALLEY
a California nonprofit public benefit corporation

DocuSigned by:
Edwin Weaver
A94243558B504C5...

By _____
Frank Edwin Weaver, Chief Executive Officer

[TRUSTOR’S SIGNATURE MUST BE ACKNOWLEDGED]

ACKNOWLEDGMENT

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.

State of California
County of Santa Barbara

On _____ before me, _____, Notary Public, 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.

Signature _____ (Seal)

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 121-234-055

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

BEING A PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 10 NORTH, RANGE 34 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, SHOWN ON A MAP RECORDED IN BOOK 88, RECORDS OF SURVEYS AT PAGE 23, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE FOR CHAPEL STREET AND THE WESTERLY RIGHT OF WAY LINE FOR ELIZABETH STREET AS SHOWN ON SAID MAP;

THENCE FOLLOWING SAID SOUTHERLY RIGHT OF WAY LINE SOUTH 89°39'20" WEST 94.0 FEET TO THE TRUE POINT OF BEGINNING;

THENCE LEAVING SAID SOUTHERLY RIGHT OF WAY LINE SOUTH 0°39'28" WEST 126.32 FEET;

THENCE NORTH 89°47'24" WEST 75.00 FEET;

THENCE NORTH 0°39'28" EAST 125.60 FEET TO A POINT ON SAID SOUTHERLY RIGHT OF WAY LINE FOR CHAPEL STREET;

THENCE FOLLOWING SAID SOUTHERLY RIGHT OF WAY LINE NORTH 89°39'20" EAST 75.00 FEET TO THE TRUE POINT OF BEGINNING.

ALSO BEING SHOWN AS LOT 1 ON ARMSTRONG LOT LINE ADJUSTMENT, TRACT NO. 5548, IN THE CITY OF SANTA MARIA, STATE OF CALIFORNIA, RECORDED APRIL 2, 1990 AS INSTRUMENT NO. 90-021688, RE-RECORDED SEPTEMBER 20, 1990 AS INSTRUMENT NO. 90-61862 OF OFFICIAL RECORDS.

EXHIBIT D

COUNTY HOME LOAN PROMISSORY NOTE

COUNTY CDBG LOAN PROMISSORY NOTE

\$299,000

Santa Barbara, California
December [], 2024

FOR VALUE RECEIVED, Fighting Back Santa Maria Valley, a California nonprofit public benefit corporation (“Borrower”), whose address is 201 South Miller Street, Suite 209, Santa Maria, California 93454, hereby promises to pay to the order of the County of Santa Barbara, a political subdivision of the State of California (“Lender” or “County”), whose address is 123 E. Anapamu Street, 2nd Floor, Santa Barbara, California 93101, the principal amount equal to Two Hundred Ninety-Nine Thousand Dollars (\$299,000), or so much thereof as may be advanced by Lender to Borrower, together with interest thereon, as set forth below.

1. **PURPOSE.** In order to assist Borrower in acquiring that certain real property and improvements thereon located at 526 East Chapel Street, in the city of Santa Maria, which is located in Santa Barbara County, California (the “Property”) for the purpose of providing youth homeless navigation services (“Project”), Lender has agreed to loan to Borrower the amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000) (the “County CDBG Loan”).

2. **BORROWER’S OBLIGATION.** This promissory note (“County CDBG Loan Promissory Note”) evidences Borrower’s obligation to pay Lender the principal amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), for the CDBG Funds loaned to Borrower by Lender for the specific uses designated, and subject to the terms and conditions set forth, in that certain loan agreement by and between Borrower and Lender of even date herewith (“County CDBG Loan Agreement”).

3. **INTEREST.** Subject to Section 4, below, this County CDBG Loan Promissory Note shall bear simple interest at the rate of zero percent (0%) per annum from the date of the first disbursement under the County CDBG Loan Agreement and this County CDBG Loan Promissory Note. Interest hereunder is not compounding.

4. **DEFAULT INTEREST.** In the event of an Event of Default by Borrower of any of its obligations under this County CDBG Loan Promissory Note or any of the other County CDBG Loan Documents, interest shall accrue on the outstanding principal of this County CDBG Loan Promissory Note at an annual rate equal to the lesser of (i) ten percent (10%), or (ii) the highest interest allowed by law, from the date of such Event of Default until the date that such Event of Default is cured, if subject to cure pursuant to Section 8 of the County CDBG Loan Agreement, or the County CDBG Loan is repaid in full, and such default interest shall be due and payable by Borrower to Lender monthly on the first day of each month.

5. **AMOUNT AND TIME OF PAYMENT.** All unpaid principal and accrued and unpaid interest hereunder shall be due and payable on the earlier of: (a) the date that is six (6) years after the date of the date first set forth above (“Effective Date”), or (b) the date the Property is sold or otherwise Transferred, unless Lender expressly consents in advance in writing to such Transfer in each instance, and each such Transfer is completed in accordance with all conditions imposed by Lender in connection with such consent, including, but not limited to, such transferee expressly assuming, in writing duly executed by such transferee in form approved by Lender, all of Borrower’s obligations hereunder and under the other County CDBG

Loan Documents, (c) an Event of Default by Borrower, as defined in Section 8.1 of the County CDBG Loan Agreement, which, if subject to cure as set forth in the applicable Default Notice, has not been cured as provided for in Section 8.2 of the County CDBG Loan Agreement and such Default Notice, or (d) June 30, 2031. The foregoing notwithstanding, if Borrower remains compliant with the terms of the CDBG Regulatory Agreement, as determined by the County through periodic inspections of the Project, and files documenting compliance, and as indicated with monitoring close-out letters from Lender to Borrower indicating compliance with the CDBG Regulatory Agreement, for the six (6) year term described therein, then the principal amount of the loan, along with all accrued interest, except interest accrued pursuant to Section 4, shall be forgiven.

6. DEFINITIONS. All capitalized terms used but not defined in this County CDBG Loan Promissory Note shall have the respective meanings ascribed to such terms in the County CDBG Loan Agreement. In the event of any conflict between the provisions of this County CDBG Loan Promissory Note and the provisions of the County CDBG Loan Agreement, the provisions of the County CDBG Loan Agreement shall control and prevail.

7. PAYMENTS. All accrued interest and principal hereunder shall be due and payable in accordance with the terms set forth in Section 5, above. All payments on the County CDBG Loan shall be applied in the following order: *First*, to pay the cumulative interest owed, if any; *second*, to the principal amount of the County CDBG Loan.

8. PLACE AND MANNER OF PAYMENT. All amounts due and payable under this County CDBG Loan Promissory Note are payable at the office of Lender at the address set forth above, or at such other place as Lender may designate to Borrower in writing from time to time, in any coin or currency of the United States which on the respective Annual Payment Dates shall be legal tender for the payment of public and private debts.

9. DEFAULT AND ACCELERATION. This County CDBG Loan Promissory Note is secured by the County CDBG Loan Deed of Trust. All covenants, conditions and agreements contained in the County CDBG Loan Deed of Trust and the County CDBG Loan Agreement are hereby made a part of this County CDBG Loan Promissory Note. Borrower agrees that the amount of principal and all then-accrued and unpaid interest hereunder, shall be immediately due and payable upon any Event of Default, as defined in the County CDBG Loan Agreement, which, if subject to cure in accordance with Section 8.2 of the County CDBG Loan Agreement and the applicable Notice of Default, has not been cured in accordance with the County CDBG Loan Agreement and the applicable Notice of Default, including, but not limited to, the failure of Borrower to make any payment when due. Upon the occurrence of any Event of Default, Lender may exercise any and all other rights or remedies permitted under this County CDBG Loan Promissory Note, any of the other County CDBG Loan Documents, or applicable law.

10. PREPAYMENT OF COUNTY CDBG LOAN. No prepayment penalty will be charged to Borrower for payment of all or any portion of the County CDBG Loan amounts prior to the end of the Term. However, prepayment of the County CDBG Loan during the six-year Term of the County CDBG Loan Regulatory Agreement shall require Lender's prior written approval, and shall not affect Borrower's obligations under the County CDBG Loan Regulatory Agreement.

11. **NO OFFSET.** Borrower hereby waives any and all rights of offset it now has or may hereafter have against Lender, its successors and assigns, and agrees to make the payments called for herein in accordance with the terms of this County CDBG Loan Promissory Note.

12. **WAIVERS.** All presentments, notices of dishonor, and protests are waived by all makers, sureties, guarantors, and endorsers of this County CDBG Loan Promissory Note, if any.

13. **CONSENTS AND APPROVALS.** Any consent or approval of Lender in connection with this County CDBG Loan Promissory Note shall not be effective unless provided in writing duly executed by the Director of the County's Community Services Department.

14. **NOTICES.** Notices to Borrower hereunder may be delivered to Borrower at the address of Borrower set forth below, or at such other place or places as Borrower may designate in writing, from time to time, in accordance with the Notice provisions of the County CDBG Loan Agreement, for the receipt of communications from Lender.

Lender: County of Santa Barbara
Housing and Community Development
123 E Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

With copy to: Office of County Counsel
County of Santa Barbara
105 E Anapamu Street, Room 201
Santa Barbara, CA 93101

Owner: Fighting Back Santa Maria Valley
201 South Miller Street, Suite 209
Santa Maria, California 93454
Attention: Executive Director

15. **ASSIGNMENT; BINDING UPON SUCCESSORS.** All provisions of this County CDBG Loan Promissory Note shall be binding upon and inure to the benefit of the respective permitted successors-in-interest, transferees, and assigns of Borrower and Lender; provided, however, that Borrower shall not assign or otherwise Transfer, directly or indirectly, whether by operation of law or otherwise, this County CDBG Loan Promissory Note or any of Borrower's rights or obligations hereunder without the prior written consent of Lender in each instance.

16. **GOVERNING LAW.** This County CDBG Loan Promissory Note shall be interpreted under and 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.

17. **SEVERABILITY.** Every provision of this County CDBG Loan Promissory Note is intended to be severable in the event that any provision of this County CDBG Loan Promissory Note shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, in which case, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

18. **TIME.** Time is of the essence with respect to this County CDBG Loan Promissory Note.

19. **WAIVER.** No waiver by Lender of any provision of this County CDBG Loan Promissory Note or any of the other County CDBG Loan Documents shall be effective unless in writing signed by Lender. No waiver will be implied from any delay or failure by Lender to take action on any breach or default of Borrower or to pursue any remedy allowed under any of the County CDBG Loan Documents or applicable law. Any extension of time granted to Borrower to perform any obligation hereunder or under and of the other County CDBG Loan Documents shall not operate as a waiver of or release from any of the Borrower's obligations hereunder or under and of the other County CDBG Loan Documents. Consent by Lender to any act or omission by Borrower shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for Lender's written consent to future waivers.

20. **AMENDMENTS AND MODIFICATIONS.** No amendment or modification to or of this County CDBG Loan Promissory Note shall be effective unless in writing and duly executed by both Borrower and Lender.

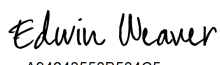
21. **NONRECOURSE.** Except as expressly provided in the second paragraph of this Section 21, the Borrower's officers, directors, employees and agents shall not have any direct personal liability for payment of the principal of, or interest on, this County CDBG Loan Promissory Note. However, nothing contained in the foregoing limitation of liability shall (i) limit or impair the enforcement against all such security for the County CDBG Loan Promissory Note of all the rights and remedies of the Lender, or (ii) be deemed in any way to impair the right of the Lender to assert the unpaid principal amount of the County CDBG Loan Promissory Note as demand for money within the meaning and intent of Section 431.70 of the California Code of Civil Procedure or any successor provision thereto.

The foregoing limitation of liability is intended to apply only to the obligation for the repayment of the principal of, and payment of interest on the County CDBG Loan Promissory Note, except as hereafter set forth; nothing contained herein is intended to relieve the Borrower or any of the Borrower's officers, directors, employees or agents of personal liability to the extent of actual damages for (i) fraud or willful misrepresentation or misconduct by or on behalf of Borrower or any of Borrower's officers, agents, directors, or employees; (ii) the failure to pay taxes, assessments or other charges which may create liens on the Property that are payable or applicable prior to any foreclosure under the County CDBG Loan Deed of Trust (to the full extent of such taxes, assessments or other charges); (iii) the fair market value of any personal property or fixtures removed or disposed of by or on behalf of the Borrower or any of the Borrower's officers, directors, employees or agents, other than in accordance with the County CDBG Loan Deed of Trust; (iv) the material misapplication of any proceeds under any insurance policies or awards resulting from condemnation or the exercise of the power of eminent domain or by reason of damage, loss or destruction to any portion of the Property; (v) the Borrower's indemnification obligations under the County CDBG Loan Agreement; and (vi) payment to the Lender of any rental income or other income arising with respect to the Property received by the Borrower after the Lender has given notice to the Borrower of the occurrence of an Event of Default and after the expiration of all applicable notice and cure periods, if any.

21. COUNTY CDBG LOAN AGREEMENT CONTROLS. In the event that any provisions of this County CDBG Loan Promissory Note and the County CDBG Loan Agreement conflict, the terms of the County CDBG Loan Agreement shall control.

BORROWER:

FIGHTING BACK SANTA MARIA VALLEY
a California nonprofit public benefit corporation

DocuSigned by:

A94243558B504C5...

By: _____
Frank Edwin Weaver, Chief Executive Officer

EXHIBIT E

COUNTY HOME LOAN REGULATORY AGREEMENT

NO FEE DOCUMENT

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

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

NO FEE DOCUMENT PURSUANT TO
CALIFORNIA GOVERNMENT CODE SECTION 27383

**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 [] day of December, 2024 (“Effective Date”) by and between the County of Santa Barbara, a political subdivision of the State of California (the “Lender” or “County”), and Fighting Back Santa Maria Valley, a California nonprofit public benefit corporation (the “Owner” or “Borrower” and, together with the County, collectively, the “Parties” and each individually a “Party”).

RECITALS

A. Borrower intends to acquire a property located at 526 East Chapel Street in the City of Santa Maria, which is located in Santa Barbara County, California, as more particularly described in the legal description attached hereto as Exhibit A and incorporated herein by reference (the “Property”). The Property will be used to provide navigation services to homeless youth.

B. The Lender has received Community Development Block Grant Program (“CDBG”) funds (“CDBG Funds”) from the United States Department of Housing and Urban Development (“HUD”) pursuant to Title I of the Housing and Community Development Act of 1974, as amended.

C. Concurrently herewith, Lender is lending to Owner a loan in the amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), as evidenced by that certain County CDBG Loan Promissory Note of even date herewith executed by Borrower in favor of Lender in the amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), (“County CDBG Loan Note”), and that certain County CDBG Loan Agreement of even date herewith by and between Lender and Borrower (“County CDBG Loan Agreement”), and secured by that certain Deed of Trust of even date herewith (“County CDBG Loan Deed of Trust”).

D. As further consideration for the County CDBG Loan 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, ownership, and management of the Property during the Term. The covenants in this Agreement are intended to run with the land and be binding on the Owner and its successors and assigns with respect to the Property.

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

1. DEFINITIONS

All capitalized terms used but not defined in this Agreement shall have the respective meanings 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 herein for convenience of reference.

1.1 [This section intentionally left blank.]

1.2 [This section intentionally left blank.]

1.3 [This section intentionally left blank.]

1.4 **“COUNTY CDBG LOAN”** means the loan of CDBG Funds in the amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), made by the Lender to the Owner to finance certain acquisition costs of the Project pursuant to the County CDBG Loan Agreement and the County CDBG Loan Note.

1.5 **“COUNTY CDBG LOAN AGREEMENT”** means the County CDBG Loan Agreement executed concurrently herewith by and between the Owner and the Lender, setting forth the terms and conditions governing the County CDBG Loan.

1.6 **“COUNTY CDBG LOAN DEED OF TRUST”** means that certain deed of trust, assignment of rents, and security agreement, executed concurrently herewith by the Owner, as trustor, and the Lender, as beneficiary, to be recorded against the Property as security for the County CDBG Loan, as well as any amendments to, modifications of, and restatements thereof.

1.7 **“COUNTY CDBG LOAN DOCUMENTS”** means, collectively, the County CDBG Loan Agreement, the County CDBG Loan Note, the County CDBG Loan Deed of Trust, and this Agreement, including all exhibits hereto and thereto, as such documents may be amended from time to time in accordance with the provisions hereof and thereof.

1.8 **“COUNTY CDBG LOAN NOTE”** means the promissory note executed by the Owner concurrently herewith in favor of the Lender in the amount of Two Hundred Ninety-Nine Thousand Dollars (\$299,000), 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 thereof.

1.9 [This section intentionally left blank.]

1.10 [This section intentionally left blank.]

1.11 **“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.

1.12 [This section intentionally left blank.]

1.13 **“OWNER”** or **“BORROWER”** means Fighting Back Santa Maria Valley, a California nonprofit public benefit corporation, and its representatives and assigns, transferees, and successors-in-interest.

1.14 **“PROJECT”** means the acquisition, operation and management of the Property as described in the County CDBG Loan Agreement and in accordance with 24 CFR 570.3.

1.15 **“PROPERTY”** means that certain real property and improvements thereon located at 526 East Chapel Street, in the City of Santa Maria, which is located in Santa Barbara County, California, as more particularly described in Exhibit A, which is attached hereto and hereby incorporated into this Agreement by this reference.

1.16 **“TERM”** shall have the meaning set forth in Section 9.8 of the County CDBG Loan Agreement.

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 remain in full force and effect for the entirety of the Term. The requirements of this Agreement shall apply throughout the Term without regard to the term of any loan or mortgage or any Transfer.

2.3 COMPLIANCE WITH CDBG PROGRAM REQUIREMENTS. At all times during the Term, the Owner shall comply with all CDBG Requirements.

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 Fighting Back Santa Maria Valley to provide navigation services to homeless youth. The Project shall exclusively serve persons

belonging to groups defined as “presumed to be principally low and moderate income persons” at 24 CFR 570.208(a)(2)(i)(A).

4. LEASING THE PROJECT

[This section intentionally left blank.]

5. PROPERTY MANAGEMENT

5.1 MANAGEMENT RESPONSIBILITIES. The Owner shall be solely responsible for management of the Project, including all management functions with respect to the Project, including, without limitation, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security.

5.2 [This section intentionally left blank.]

5.3 INSPECTION AND RECORDS. The Owner shall maintain records which clearly document the Owner’s performance of its obligations under 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 at all reasonable times upon twenty-four (24) hours’ advance notice of such visit by the Lender to the Owner.

5.4 COMPLIANCE MONITORING. The Owner shall, at all times during the Term, operate the Property and the Project in full compliance with this Agreement and the CDBG Requirements. The Owner shall permit the Lender to conduct compliance monitoring, including performing on-site records review and inspections of the Property, as required by applicable laws and regulations, the CDBG Requirements, and/or as requested by Lender.

5.5 ANNUAL REPORT. On or before March 1st of each year during the Term, the Owner shall submit to the Lender a report, in a form approved by Lender, for the immediately preceding calendar year, containing all information requested by Lender so as to allow the Lender to determine the Owner's compliance with this Agreement (“Annual Report”). The Annual Report shall include, at a minimum: (i) an Annual Financial Statement, as defined in Section 1.2 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, (v) a report on the use(s) of the Property in accordance with the CDBG Requirements, and (vi) all other information requested by Lender.

Within thirty (30) days after receipt of a written request from Lender or HUD, Owner shall submit all information and completed forms requested by the Lender in connection with reporting requirements of HUD, the State of California, or the Lender. The Lender shall have the right to examine and make copies of all books, records and other documents and data in Owner’s possession, custody, or control which pertain to the Project or Property 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 MAINTENANCE OF EXISTING STRUCTURES. Owner shall maintain all buildings on the Property in good condition, in good repair, ordinary wear and tear excepted, and in a decent, safe, sanitary, habitable and tenantable condition. 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. Owner shall be solely responsible for maintenance of the Property.

6. GENERAL PROVISIONS

6.1 SUBORDINATION. This Agreement shall be senior to all, and shall not be subordinate to any, deeds of trust, notes, agreements, and other obligations of Lender concerning the Property, and may be subordinated in priority only as to liens and encumbrances otherwise approved in advance in writing by the Lender in each instance, in Lender's sole and absolute discretion.

6.2 DEFAULT AND REMEDIES In the event of any breach of any provision(s) of this Agreement by the Owner, the Lender shall provide written notice to the Owner of such breach; provided, however, that if Owner has actual or constructive knowledge of such breach and has not received written notice of such breach from Lender, Owner shall immediately provide written notice to Lender of such breach. If Lender determines that such breach is capable of cure, Lender shall provide written notice to Owner stating that such breach is capable of cure, the actions required to effect such a cure, and the date by which such cure must be completed ("Opportunity to Cure Notice"), provided that the Owner diligently undertakes to cure such breach in accordance with such Opportunity to Cure Notice. Lender shall accept a cure of such breach by the Owner's limited partner on the same basis as Lender would accept a cure of such breach by the Owner. If the Owner fails to perform a timely cure of the specified breach in accordance with such Opportunity to Cure Notice, or immediately upon the occurrence of a breach that the Lender determines to be incapable of cure, the Lender may proceed with any or all of the following remedies:

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;

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, at any time during the Term, any of Owner or the Project are not in compliance with any of the CDBG Requirements or any provision of this Agreement, subject to applicable notice and cure periods as provided herein, such failure shall constitute an Event of Default hereunder and under the County HOME Loan 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 this Agreement.

6.5 INSURANCE AND INDEMNITY. Owner shall, at all times during the Term, comply with all of the insurance and indemnification provisions set forth in Exhibit B, attached hereto 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 of any conflict between any provision of this Agreement and any provision contained in any of the other County CDBG Loan Documents, the terms of this Agreement shall control and prevail.

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

6.9 CONSENTS AND APPROVALS. No Lender consent or approval shall be effective unless in writing and executed by a duly authorized representative of the Lender.

6.10 NOTICES, DEMANDS AND COMMUNICATIONS. Formal notices, demands and communications to a Party hereunder shall be sufficiently given if, and shall not be deemed given unless, dispatched by U.S. Postal Service registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the such Party at the address set forth for such Party as follows, or to such other address as such Party may from time to time designate in writing delivered to the other Party in accordance with this Section 6.10:

Lender: County of Santa Barbara
Housing and Community Development
123 E Anapamu Street, 2nd Floor
Santa Barbara, CA 93101
Attn: Deputy Director

With copy to: Office of County Counsel
County of Santa Barbara
105 E Anapamu Street, Room 201
Santa Barbara, CA 93101

Owner: Fighting Back Santa Maria Valley
201 South Miller Street, Suite 209
Santa Maria, California 93454
Attention: Executive Director

6.11 BINDING UPON SUCCESSORS. This Agreement shall be recorded in the official records of the Santa Barbara County Clerk-Recorder's Office, and all provisions of this Agreement shall be binding upon and inure to the benefit of the permitted successors-in-interest, permitted transferees, and permitted assigns of the Owner, as permitted in accordance with the County CDBG Loan Documents, and the Lender, and shall run with the land with respect to the Property for the full Term of this Agreement, regardless of any assignment, payment, prepayment, expiration, or 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 any portion thereof or any interest therein; provided, however, that Owner shall not shall not assign or otherwise transfer, directly or indirectly, whether by operation of law or otherwise ("Transfer"), this Agreement or the Property, or any of Owner's interest herein or therein, or any of Owner's rights or obligations hereunder, without the prior written consent of Lender in each instance. Any purported Transfer in violation of the foregoing provisions of this Section 6.11 shall be void *ab initio*.

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. No waiver, consent, or approval by the Lender with respect to this Agreement shall be effective unless in writing executed by a duly authorized representative of Lender. No waiver shall 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 or any of the other County CDBG Loan Documents, or under applicable law. No extension of time granted by Lender to the Owner to perform an instance of an obligation under this Agreement shall operate as a waiver or release with respect to any other instance or obligation under this Agreement or any of the other County CDBG Loan Documents. No consent by the Lender to an act or omission by the Owner shall be construed to constitute consent by Lender to any other or subsequent act or omission, or to waive the requirement that all waivers by Lender hereunder must be in writing executed by a duly authorized representative of Lender.

6.14 AMENDMENTS AND MODIFICATIONS. No amendment to or modification of this Agreement shall be effective unless in writing and duly executed by both the Owner and the Lender.

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

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

COUNTY:

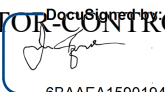
County of Santa Barbara,
a political subdivision of the State of California

By: _____
Deputy Clerk of the Board

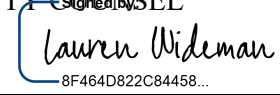
By: _____
STEVE LAVAGNINO
Board Chair

**APPROVED AS TO ACCOUNTING
FORM:**

BESTY M. SCHAFER, CPA, CPFO
AUDITOR-CONTROLLER

By:  _____
6BAAEA15901943F...
Deputy

**APPROVED AS TO FORM
RACHEL VAN MULLEM
COUNTY COUNSEL**

By:  _____
8F464D822C84458...
Deputy County Counsel

**APPROVED AS TO FORM:
RISK MANAGEMENT**

By:  _____
05F555F00269466...
Gregory Milligan, ARM, AIC
Risk Manager

**APPROVED BY DEPARTMENT:
COMMUNITY SERVICES DEPARTMENT**

By:  _____
E33B804A6E03475...
Jesús Armas, Director

BORROWER

FIGHTING BACK SANTA MARIA VALLEY,
a California nonprofit public benefit corporation

DocuSigned by:
Edwin Weaver
A94243558B504C5...

By _____
Frank Edwin Weaver, Chief Executive Officer

ACKNOWLEDGMENT

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.

State of California
County of Santa Barbara

On _____ before me, _____, Notary Public,
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.

Signature _____ (Seal)

ACKNOWLEDGMENT

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.

State of California
County of Santa Barbara

On _____ before me, _____, Notary Public,
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.

Signature _____ (Seal)

Exhibit A

Legal Description of the Property

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 121-234-055

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

BEING A PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 10 NORTH, RANGE 34 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF SANTA MARIA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, SHOWN ON A MAP RECORDED IN BOOK 88, RECORDS OF SURVEYS AT PAGE 23, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY RIGHT OF WAY LINE FOR CHAPEL STREET AND THE WESTERLY RIGHT OF WAY LINE FOR ELIZABETH STREET AS SHOWN ON SAID MAP;

THENCE FOLLOWING SAID SOUTHERLY RIGHT OF WAY LINE SOUTH 89°39'20" WEST 94.0 FEET TO THE TRUE POINT OF BEGINNING;

THENCE LEAVING SAID SOUTHERLY RIGHT OF WAY LINE SOUTH 0°39'28" WEST 126.32 FEET;

THENCE NORTH 89°47'24" WEST 75.00 FEET;

THENCE NORTH 0°39'28" EAST 125.60 FEET TO A POINT ON SAID SOUTHERLY RIGHT OF WAY LINE FOR CHAPEL STREET;

THENCE FOLLOWING SAID SOUTHERLY RIGHT OF WAY LINE NORTH 89°39'20" EAST 75.00 FEET TO THE TRUE POINT OF BEGINNING.

ALSO BEING SHOWN AS LOT 1 ON ARMSTRONG LOT LINE ADJUSTMENT, TRACT NO. 5548, IN THE CITY OF SANTA MARIA, STATE OF CALIFORNIA, RECORDED APRIL 2, 1990 AS INSTRUMENT NO. 90-021688, RE-RECORDED SEPTEMBER 20, 1990 AS INSTRUMENT NO. 90-61862 OF OFFICIAL RECORDS.

Exhibit B

Standard Indemnification and Insurance Provisions

EXHIBIT B

I. INDEMNITY

Borrower hereby 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 caused by the sole negligence of the County.

II INSURANCE

Borrower hereby covenants and agrees to provide the insurance coverage with limits as specified below. Borrower 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 County Home Loan Agreement as follows:

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 \$2,000,000 per occurrence and \$4,000,000 in the aggregate.
2. **Automobile Liability:** Insurance Services Office Form CA 0001 covering Code 1 (any auto), with limits no less than \$2,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** Insurance 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.
4. **Pollution Legal Liability and/or Asbestos Legal Liability:** (if project involves environmental hazards) with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

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

5. **Builders Risk Insurance:** Borrower shall obtain a Builders Risk Policy that provides 100% Replacement Cost. Coverage is to be effective upon the date of the Notice to Proceed, the date of site mobilization or the start of any shipment of materials, machinery or equipment to the site, whichever is earlier, and to remain in effect until replaced by permanent All Risk Property Insurance. The policy must include a Loss Payable Endorsement, including mortgage clause (CP 12 18 or similar) in favor of the County. The policy must not contain a coinsurance clause or self-insured retention. The policy must provide coverage for vandalism and Malicious Mischief Coverage.
6. **All Risk Property Insurance:** Borrower shall obtain and maintain in full force during the entire time of its ownership of the property described in this Agreement an All Risk Property Insurance policy that provides 100% Replacement Cost. The policy must contain a Lender's Loss Payable Endorsement, including mortgage clause (CP 12 18 or similar) in favor of the County. The policy may not contain a coinsurance clause or self-insured retention. Earthquake and fire coverage must be included.

7. **Flood Insurance:** If the property is deemed to be in an area identified by FEMA as a "special Flood Hazard area," Borrower must obtain flood insurance coverage with limits of at least the \$2,000,000 County is lending to Borrower.

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 Borrower 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 Borrower's insurance at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).
2. **Primary Coverage** – For any claims related to this Agreement, the Borrower's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 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 Borrower'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** – **Borrower hereby agrees to waive rights of subrogation which any insurer of Borrower may acquire** from Borrower by virtue of the payment of any loss. Borrower agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation** in favor of the County for all work performed by the Borrower, its employees, agents and subcontractors. 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. At the option of the County, either: the Borrower shall cause the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, agents and volunteers; or the Borrower shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
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** – Borrower 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 Borrower's obligation to provide them. The Borrower 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** – Borrower shall require and verify that all contractors maintain insurance meeting all the requirements stated herein, and Borrower shall ensure that County is an additional insured on insurance required from contractors. For CGL coverage contractors shall provide coverage with a format least as broad as CG 20 38 04 13.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Borrower must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.
11. **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 circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Borrower 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.

EXHIBIT F

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS

EXHIBIT F

I. INDEMNITY

Borrower hereby 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 caused by the sole negligence of the County.

II INSURANCE

Borrower hereby covenants and agrees to provide the insurance coverage with limits as specified below. Borrower 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 County Home Loan Agreement as follows:

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 \$2,000,000 per occurrence and \$4,000,000 in the aggregate.
2. **Automobile Liability:** Insurance Services Office Form CA 0001 covering Code 1 (any auto), with limits no less than \$2,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** Insurance 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.
4. **Pollution Legal Liability and/or Asbestos Legal Liability:** (if project involves environmental hazards) with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

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

5. **Builders Risk Insurance:** Borrower shall obtain a Builders Risk Policy that provides 100% Replacement Cost. Coverage is to be effective upon the date of the Notice to Proceed, the date of site mobilization or the start of any shipment of materials, machinery or equipment to the site, whichever is earlier, and to remain in effect until replaced by permanent All Risk Property Insurance. The policy must include a Loss Payable Endorsement, including mortgage clause (CP 12 18 or similar) in favor of the County. The policy must not contain a coinsurance clause or self-insured retention. The policy must provide coverage for vandalism and Malicious Mischief Coverage.
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7. **Flood Insurance:** If the property is deemed to be in an area identified by FEMA as a "special Flood Hazard area," Borrower must obtain flood insurance coverage with limits of at least the \$2,000,000 County is lending to Borrower.

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 Borrower 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 Borrower's insurance at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).
2. **Primary Coverage** – For any claims related to this Agreement, the Borrower's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 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 Borrower'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** – **Borrower hereby agrees to waive rights of subrogation which any insurer of Borrower may acquire** from Borrower by virtue of the payment of any loss. Borrower agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation** in favor of the County for all work performed by the Borrower, its employees, agents and subcontractors. 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. At the option of the County, either: the Borrower shall cause the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, agents and volunteers; or the Borrower shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
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** – Borrower 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 Borrower's obligation to provide them. The Borrower 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** – Borrower shall require and verify that all contractors maintain insurance meeting all the requirements stated herein, and Borrower shall ensure that County is an additional insured on insurance required from contractors. For CGL coverage contractors shall provide coverage with a format least as broad as CG 20 38 04 13.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Borrower must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.
11. **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 circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Borrower 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.

EXHIBIT G
CDBG GRANT AGREEMENT

Funding Approval/Agreement

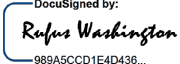

Title I of the Housing and Community
Development Act (Public Law 930383)
HI-00515R of 20515R

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

OMB Approval No. 2506-0193
exp 1/31/2025

1. Name of Grantee (as shown in item 5 of Standard Form 424) County of Santa Barbara	3a. Grantee's 9-digit Tax ID Number 956002833	3b. Grantee's 9-digit DUNS Number HN6PNVJ8K8Y6 (UEI)
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 105 E. Anapamu Santa Barbara, CA 93101	4. Date use of funds may begin 07/01/2023	
	5a. Project/Grant No. 1 B-23-UC-06-0509	6a. Amount Approved \$1,224,523.00 (by this action)
	5b. Project/Grant No. 2	6b. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) Rufus Washington		Grantee Name (Contractual Organization) County of Santa Barbara	
Title CPD Director		Title County Executive Officer	
Signature 	Date (mm/dd/yyyy) 9/6/2023	Signature 	Date (mm/dd/yyyy) 9/12/2023 7:03 AM

7. Category of Title I Assistance for this Funding Action: Entitlement, Sec 106(b)	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy)	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (mm/dd/yyyy)	
		9c. Date of Start of Program Year 07/01/2023	
11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee		FY 2023	
b. Funds now being Approved		\$1,224,523.00	
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved N/A	12b. Name and complete Address of Public Agency
Loan Guarantee Acceptance Provisions for Designated Agencies: The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
			Y					Project Number		Amount		
Date Entered PAS (mm/dd/yyyy)		Date Entered LOCCS (mm/dd/yyyy)		Batch Number		Transaction Code		Entered By		Verified By		

8. Special Conditions.

- (a) The period of performance and single budget period for the funding assistance specified in the Funding Approval (“Funding Assistance”) shall each begin on the date specified in item 4 and shall each end on September 1, 2030. The Grantee shall not incur any obligations to be paid with such assistance after September 1, 2030.
- (b) The Recipient shall attach a schedule of its indirect cost rate(s) in the format set forth below to the executed Agreement that is returned to HUD. The Recipient shall provide HUD with a revised schedule when any change is made to the rate(s) described in the schedule. The schedule and any revisions HUD receives from the Recipient shall be incorporated herein and made a part of this Agreement, provided that the rate(s) described comply with 2 CFR part 200, subpart E.

<u>Administering Department/Agency</u>	<u>Indirect cost rate</u>	<u>Direct Cost Base</u>
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____

Instructions: The Recipient must identify each agency or department of the Recipient that will carry out activities under the grant, the indirect cost rate applicable to each department/agency (including if the de minimis rate is used per 2 CFR §200.414(f)), and the type of direct cost base to which the rate will be applied (for example, Modified Total Direct Costs (MTDC)). Do not include indirect cost rates for subrecipients.

- (c) In addition to the conditions contained on form HUD 7082, the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS); the System for Award Management (SAM.gov.); the Federal Funding Accountability and Transparency Act as provided in 2 CFR part 25, Universal Identifier and General Contractor Registration; and 2 CFR part 170, Reporting Subaward and Executive Compensation Information.
- (d) The grantee shall ensure that no CDBG funds are used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water- related and wastewater-related infrastructure), other structures

designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfield as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107–118) shall be considered a public use for purposes of eminent domain.

- (e) The Grantee or unit of general local government that directly or indirectly receives CDBG funds may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act.
- (f) E.O. 12372-Special Contract Condition - Notwithstanding any other provision of this agreement, no funds provided under this agreement may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from HUD of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52. The recipient shall also complete the review procedures required under E.O. 12372 and 24 CFR Part 52 and receive written notification from HUD of the release of funds before obligating or expending any funds provided under this agreement for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.
- (g) CDBG funds may not be provided to a for-profit entity pursuant to section 105(a)(17) of the Act unless such activity or project has been evaluated and selected in accordance with Appendix A to 24 CFR 570 - “Guidelines and Objectives for Evaluating Project Costs and Financial Requirements.” (Source - P.L. 113-235, Consolidated and Further Continuing Appropriations Act, 2015, Division K, Title II, Community Development Fund).
- (h) The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee’s infrastructure project. Pursuant to HUD’s Notice, “Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance” (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

EXHIBIT H
SAMPLE ESPR

EXHIBIT H
EXPENDITURE SUMMARY AND PAYMENT REQUEST (ESPR)

FY 2024 - 25
July - June

INSTRUCTIONS: Complete tab 2 first, then complete only the yellow shaded cells on tab 1. Print, sign and submit.

Agency Name Fighting Back Santa Maria Valley

Program Name Homeless Navigation Center Acquisition

Address 201 S. Miller St. Suite 209, Santa Maria, CA 93454

Contact Person _____

Phone _____

Email _____

SUBMIT COMPLETED FORM TO James Francis Housing Program Specialist

Phone: 805-568-3549 Email: jfrancis@countyofsb.org

Invoice/Request # _____ Revised ☐

Date Submitted _____

Check one: CDBG ☒ HOME ☐

IDIS # _____

HCD Project # 3C04CO

PO/Contract No _____ Expiration Date _____

Report Period: (enter month for capital projects and quarter for public services)

Month _____

Quarter ☐ Qtr 1 (July - Sep) ☐ Qtr 2 (Oct - Dec)
☐ Qtr 3 (Jan - Mar) ☐ Qtr 4 (Apr - Jun)

I. GRANT BUDGET AND EXPENDITURES

BUDGET LINE ITEM	ACTIVITY	TOTAL GRANT BUDGET	TOTAL OF PREVIOUS DRAWDOWNS	REQUESTED DRAWDOWN THIS PERIOD	NEW AVAILABLE BALANCE
Cat. 1 Acquisition Costs		\$ 299,000.00	\$ -	\$ -	\$ 299,000.00
Cat. 2 -		-		\$ -	\$ -
Cat. 3 -		-		\$ -	\$ -
TOTAL		\$ 299,000.00	\$ -	\$ -	\$ 299,000.00

☐ Check this box if this is the final payment. Any balances will be rescinded and returned to the County.

Certification:

I certify to the best of my knowledge and belief that this report is true and complete, and I have reviewed all supporting documentation. Disbursements have been made for the purpose and conditions of this grant and have not been paid by any other source.

Manager / Fiscal Officer

Name _____ Title _____

Signature _____ Date _____

Administrator / Executive Director

Name _____ Title _____

Signature _____ Date _____

Public Service programs: Payment requests are due for each quarter by the 10th of the month following quarter end.

Capital Projects: Payment requests are due monthly by the 10th of the month following the reporting month.

This form has been tailored for the funding year noted in the upper-right corner of this form. Other ESPR forms are obsolete.