Attachment E

Good Samaritan Shelter, Safe House, CDBG 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 5th day of May 2020, by and between the County of Santa Barbara, a political subdivision of the State of California (the "Lender"), and Good Samaritan Shelter, 245 E. Inger Dr., Suite 103B, Santa Maria, CA 93454, a California Nonprofit Organization, (the "Owner").

RECITALS

A. The Owner owns a parcel of real property located at [redacted], Santa Barbara County, California as more particularly described in Exhibit A (the "Property"), a three-bedroom, single-family residence used for Transitional Housing as defined below, for up to two persons per bedroom, targeted to qualifying households as defined in Section 1.14 herein (the "Project")

B. The Lender has received 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.);* and the regulations promulgated thereunder (24 CFR Part 570) (Regulations) enabling the provision of expanding the supply of decent, safe, sanitary and affordable housing for low-income persons and families.

C. Owner will operate the Property as shared Transitional Housing for certain qualifying households eligible to receive CDBG benefits as provided by the Project, subject to terms and conditions articulated in the County CDBG Loan Agreement and this CDBG Regulatory Agreement.

E. As further consideration for this funding and to further the interests of the Lender, the Owner has agreed to enter into and record this Agreement. The purpose of this Agreement is

to regulate and restrict the occupancy, rents, operation, the ownership, and management of the Project. The covenants in this Agreement are intended to run with the land and be binding on the Owner and its successors and assigns in the Property.

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

1. DEFINITIONS

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

1.1 **"ANNUAL INCOME"** means the definition of Annual Income as more particularly defined at 24 CFR 5.609 - 612.

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

1.3 **"COUNTY CDBG LOAN"** means the loan of CDBG funds in the amount of Four Hundred Fifty Thousand Dollars ($450,000) made by the Lender to the Owner to finance acquisition and improvement costs of the Project pursuant to the County CDBG Loan Agreement and the County CDBG Loan Note.

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

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

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

1.7 **"COUNTY CDBG LOAN NOTE"** means the promissory note executed by the Owner in favor of the Lender in the amount of Four Hundred Fifty Thousand Dollars ($450,000), evidencing the County CDBG Loan, which is secured by the County CDBG Loan Deed of Trust, as well as any amendments to, modifications of, or restatements of said promissory note.

1.8 **"CDBG-ASSISTED UNIT"** means any one of the three (3) bedrooms (Units) on the Property.

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

1.10 **"OWNER"** means Good Samaritan Shelter, a California Nonprofit Organization.

1.11 **"PROGRAM BENEFICARY:** means the Qualifying Household benefitting from the CDBG Project.

1.124 **"PROJECT"** means the acquisition, rehabilitation, improvements, operation and management of the Property according to the terms of the County CDBG Loan Agreement.

1.13 **"PROPERTY"** means the real property located at [redacted], Santa Barbara County, California, as more particularly described in Exhibit A attached hereto and incorporated herein, including the improvements constructed thereon pursuant to the County CDBG Loan Agreement.

1.14 **"QUALIFYING HOUSEHOLD"** means one or more related or unrelated persons occupying a Unit, and who are low and moderate income earning less than 50% or less of the Area Median Income for the Santa Maria-Santa Barbara Metropolitan Statistical Area as determined by HUD and published annually with adjustments for household size. A Qualifying Household shall also satisfy any other requirements for "Qualifying Household" as set forth in the County CDBG Loan Agreement.

The foregoing notwithstanding, Owner, at the Owner's discretion, may provide either one Unit or one bed in a Unit to be occupied by a non-Qualifying Household for the purposes of housing an on-site manager or service provider.

1.15 **"QUALIFYING RENT"** means thirty-percent of a Program Beneficiary's income, paid monthly. If the tenant pays for utilities (excluding telephone, TV, and Internet), then the Qualifying Rent shall be reduced by the maximum monthly allowance for utilities using the annual HUD Utility Schedule Model or other annual utility schedule as determined by the County. Fees charged by the Owner for the provision of food, clothing, supplies, or Supportive Services are not included in the Qualifying Rent; however, such fees must be reasonable and not effectively preclude Qualifying Households from occupying a Unit and participating in programs or services offered at the Project

1.16 This paragraph left intentionally blank.

1.17 **"SUPPORTIVE SERVICES"** means individual service plans, services, programs, resources, and assistance as defined more fully in the County CDBG Loan Agreement. Such services, by design, may be structured as preconditions and requirements for occupying a Unit at the Property.

1.18 **"TENANT"** shall have the same meaning as Program Beneficiary as defined at 1.11 herein.

1.19 **"TERM"** means the fifteen (15) year period during which the CDBG-Assisted Units must meet the affordability requirements imposed under the CDBG Program, as described in Section 2.2 of this CDBG Regulatory Agreement.

1.20 **"TRANSITIONAL HOUSING"** means a project that is designed to provide housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months, or a longer period approved by Lender," pursuant to 24 CFR 91.5.

1.21 **"UNIT"** means a bedroom in the Project that may occupy up to two Program Beneficiaries.

1.22 **"VERY LOW-INCOME HOUSEHOLD"** means a household whose annual income does not exceed fifty percent (50%) of the Area Median Income for the Santa Maria Santa Barbara Metropolitan Statistical Area as determined by HUD and published annually with adjustments for household size.

1.23 **"LOW-INCOME HOUSEHOLD"** means a household whose annual income does not exceed eighty percent (80%) of the Area Median Income for the Santa Maria Santa Barbara Metropolitan Statistical Area as determined by HUD and published annually with adjustments for household size.

2. TERM AND COMPLIANCE

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

2.2 **TERM OF AGREEMENT.** This Agreement shall commence on the date of execution of the County CDBG Loan Agreement and terminate fifteen (15) years after the date of project completion, as evidenced by a written notice of completion provided to the Borrower by County, subject to certain preconditions contained in the County CDBG Loan Agreement, Section 3.3, Reversion of Assets. The requirements of this Agreement shall apply throughout the Term without regard to the term of any loan or mortgage or any transfer of ownership of the Property.

2.3 **COMPLIANCE WITH PROGRAM REQUIREMENTS.** The Owner shall comply with all requirements imposed on projects assisted under the CDBG Program in effect on

the date the County CDBG Loan is executed by all parties, and as may be amended from time to time.

3. PROJECT OCCUPANCY

3.1 **OCCUPANCY OF THE PROJECT.** A Program Beneficiary may occupy a Unit at the Property for a period of up to two (2) years, with extension subject to Lender approval, in consideration of each Program Beneficiary's individual needs. Notwithstanding the above, the Owner may, at Owner's discretion, provide either one Unit or one bed in a Unit to be occupied by a non-Qualifying Household for the purposes of housing an on-site manager or service provider. Owner may require that Program Beneficiaries participate in Supportive Services or enter into program agreements, individual service plans, and other related agreements and documents as a condition of continued occupancy. The Units must be occupied, or reserved for occupancy, by Qualifying Households, up to two persons per bedroom for a maximum of six (6) persons at any given point-in-time.

32 **CDBG-ASSISTED UNITS.** The Owner shall limit for the full Term of this Agreement the three (3) CDBG-Assisted Units for occupancy by Qualifying Households at Qualifying Rents, except that the Owner may, at Owner's discretion, provide either one Unit or one bed in a Unit to be occupied by a non-Qualifying Household for the purposes of housing an on-site manager or service provider.

The three (3) CDBG-Assisted Units shall meet the following standards:

A. Be similarly constructed and of comparable quality to all other Units in the Project; and
B. Provide Tenants of CDBG-Assisted Units access and enjoyment of all common areas and facilities of the Project on the same basis as Tenants of other Units.

33 This paragraph left intentionally blank.

34 **MAXIMUM RENTAL CHARGES.**

A. Maximum rental charges for the CDBG-Assisted Units shall not exceed the Qualifying Rent as defined above in Section 1.15.

B. The Qualifying Rent, if applicable, for each CDBG-Assisted Unit shall be set by the Lender at the time of initial occupancy of the Project. Annual increases in Qualifying Rents shall be calculated based on the change in Area Median Income published annually by HUD. At least sixty (60) calendar days prior to increasing Qualifying Rents on any CDBG- Assisted Unit on the Project, Owner shall submit to the Lender for review and approval a written request for such increase. Qualifying Households of CDBG-Assisted Units who pay rent, if any, shall be given at least thirty (30) days written notice prior to any increase in Qualifying Rents, consistent with state law. Lender shall approve such request if the increased Qualifying Rents will comply with all applicable CDBG Program requirements.

C. OCCUPANCY DEADLINES. Owner shall ensure that the three (3) CDBG Assisted Units are occupied by eligible Qualifying Households within six months from the completion of rehabilitation and improvement work of the Project, evidenced by the completion and securing Certificate(s) of Occupancy, if issued. If not issued, then Project completion will be evidenced by the satisfactory compliance with the housing standards required by HUD in effect at the time of inspection performed by Lender or its designated agent, currently the Housing Quality Standards (HQS) set forth at 24 CFR 982.401. In the event that any of the three (3) CDBG-Assisted Units are not occupied by eligible Qualifying Households five months after the date of the issuance of a certificate of occupancy, or a HQS inspection report issued by Lender indicating compliance with HQS, Owner shall submit to Lender within ten (10) days a detailed record of its marketing and outreach efforts and comply with Lender's requests for additional information pertaining thereto. In the event the three (3) CDBG-Assisted Units are not occupied within 17 months after the date of the issuance of a certificate of occupancy, or an HQS inspection report issued by Lender or tis designated agent indicating compliance with HQS, then this shall constitute an Event of Default. On or before the last day of the 17th month after the date of the issuance of a certificate of occupancy, or an HQS inspection report issued by Lender or its designated agent indicating compliance with HQS, Lender shall give written notice to Owner in accordance with Section 6.2 herein. Owner shall have 30 days from receipt of such notice to cure the breach, but in any event shall cure the breach before the end of the 18th month after the date of the issuance of a certificate of occupancy or an HQS inspection report issued by Lender or its designated agent indicating compliance with HQS.

35 INCOME AND ELIGIBILITY CERTIFICATION.

The Annual Income and other qualifications of Qualifying Households of the CDBG-Assisted Units shall be certified by Owner prior to the Qualifying Household's expected occupancy of a CDBG-Assisted Unit. If the household size of a Qualifying Household occupying a CDBG- Assisted Unit changes, the Owner may request additional information and documentation to determine eligibility. Qualifying Household certification shall include documentation of income eligibility, and further confirmation as required in the County CDBG Loan Agreement in Section 5.4, Project Beneficiary Selection (for purposes of this Section, the "Additional Eligibility Requirements:).

A. Initial Annual Income Verification. Before the Qualifying Household occupies a CDBG-Assisted Unit, the Owner shall verify that the Qualifying Household meets income eligibility in accordance with 24 CFR 5.609-612 and satisfies the Additional Eligibility Requirements by taking the following steps as a part of the verification process:

(1) Referral: Program Beneficiaries referred to the program internally by Owner shall provide documentation of Qualification of a Program Beneficiary pursuant to the County CDBG Loan Agreement, Section 5.6, Documentation of Program Beneficiary Qualification and this information shall be maintained in the Project files; and,

(2) Third-Party, external referral: Clientele referred to the Project by third-party community organizations shall provide documentation of satisfaction of the Additional Eligibility Requirements, and this information shall be maintained in the Project files. Owner must

verify that each person referred to the Property meets the income requirements for a Program Beneficiary.

(3) Self-Certification: In the event that Owner is unable to acquire from a prospective Program Beneficiary documentation pursuant to Sections (1) and (2) above, Owner may accept a signed self-certification statement from the prospective Program Beneficiary affirming and attesting to meeting eligibility requirements, and this information shall be maintained in the Project Files. Notwithstanding, HUD or the County may request source documentation for auditing purposes.

(4) Acquiring, confirming and maintaining Program Beneficiary eligibility as per Sections 1-3 above, affirms Program Beneficiary eligibility.

4. PROJECT OCCUPANCY.

4.1 **QUALIFYING HOUSEHOLD AGREEMENTS.** The Owner shall execute a written agreement with each Program Beneficiary of a CDBG-Assisted Unit for a term of up to two (2) years, with provision for extension with Lender approval.

A. Owner written agreement with Program Beneficiaries may include provisions for voluntary or required participation in supportive services and other programming, services, resources, individual service plans and house rules governing initial, ongoing and continued occupancy at the Property.

4.2 **PROGRAM BENEFICIARYSELECTION.** Before commencing with leasing Units at the Property, Owner must provide Lender for its review and approval the Owner's written management plan.

4.3 **SECTION 8 CERTIFICATE HOLDERS.** The Owner will accept as Tenants, on the same basis as all other prospective Tenants, persons who are recipients of federal certificates for rent subsidies pursuant to the existing housing program under Section 8 of the United States Housing Act, or its successor. The Owner shall not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective Tenants, nor shall the Owner apply or permit the application of management policies or lease provisions with respect to the Project which have the effect of precluding occupancy of Units by such prospective Tenants.

4.5 **NONDISCRIMINATION.** The Owner shall not discriminate or segregate in the use, enjoyment, occupancy, conveyance, lease, sublease, or rental of Units on the basis of race, color, ancestry, national origin, religion, sex, sexual preference, age, marital status, family status, source of income, physical or mental disability, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC), or any basis prohibited by law. The Owner shall include a statement in all advertisements, notices and signs for the availability of Units for rent to the effect that the Owner is an Equal Housing Opportunity Provider, subject to provision of federal Fair Housing Laws and regulations.

4.6 **MARKETING PLAN.** Prior to occupancy, Owner shall submit to the Lender for approval its plan for marketing the Units, including information on affirmative marketing efforts and compliance with fair housing laws and the Lender's affirmative fair marketing guidelines. Upon receipt of the marketing plan, the Lender shall promptly review the marketing plan and shall approve or disapprove it within thirty (30) days after submission. If the marketing plan is not approved, Lender shall specify its reasons for disapproval. The Owner shall submit a revised marketing plan within thirty (30) days of Lender's notice of disapproval. The Lender's disapproval of the revised marketing plan shall constitute an Event of Default under Sections 8.1.D, 8.1.E, and/or 8.1.I of the County CDBG Loan Agreement.

5. PROPERTY MANAGEMENT

5.1 **MANAGEMENT RESPONSIBILITIES.** The Owner is responsible for all management functions with respect to the Project, including without limitation the selection of Tenants, certification of Qualifying Household size and Annual Income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. The Lender shall have no responsibility over management of the Project. The Owner shall submit to the Lender for its approval its proposed Property management plan. The Owner may only remove and/or replace the Property manager with the prior written consent of the Lender which consent shall not be unreasonably withheld.

5.2 **APPROVAL OF MANAGEMENT POLICIES.** The Owner shall submit its written management policies with respect to the Project to the Lender for its review, and shall amend such policies in any way necessary to ensure that such policies comply with the provisions of this Agreement, the requirements of the CDBG Program, as may be amended from time to time, and the requirements of all lenders providing financing for the Project.

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

5.4 **COMPLIANCE MONITORING.** The Owner shall operate the Property in full compliance with this Agreement and the CDBG Program regulations at 24 CFR Part 570 in effect on the date the County CDBG Loan is executed by all parties, and as may be amended from time to time, and shall remain in compliance therewith throughout the Term of this Agreement. Owner shall ensure that the Property remains in good repair and in compliance with the housing standards required by HUD in effect, currently the Housing Quality Standards (HQS) set forth at 24 CFR 982.401. The Owner shall permit the Lender to conduct annual compliance monitoring, including performing on-site records review and inspections of the Property.

5.5 **ANNUAL REPORT.** The Owner shall submit to the Lender a report in a form approved by Lender for the preceding period of January 1st through December 31st, containing the information requested by Lender so as to allow the Lender to determine the Owner's

compliance with this Agreement. The report shall be submitted annually no later than March 1st, and 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) for each CDBG-Assisted Unit, the rent, Annual Income, and household size of the household in occupancy. The report shall also state the date the tenancy commenced for each CDBG-Assisted Unit and such other information as the Lender may be request.

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

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

5.7 **PROPERTY TAX EXEMPTION.** The Owner shall not apply for a property tax exemption for the Property under any provision of law other than California Revenue and Taxation Code Section 214(g) without the Lender's prior written consent. Lender acknowledges Owner will be applying for a property tax exemption for the property and hereby provides its consent.

5.8 **MAINTENANCE OF EXISTING STRUCTURES.** Owner shall maintain all buildings on the Property in good condition, in good repair and in a decent, safe, sanitary, habitable and tenantable condition. All Units in the Project must meet the standards set out in 24 CFR 982.401 throughout the Term of this Agreement. Owner shall not cause or permit any violations of any laws, ordinances, regulations, covenants, conditions, restrictions, or equitable servitudes as they pertain to improvements, alterations, maintenance or demolition on the Property. Lender shall have no responsibility over maintenance of the Property.

6. GENERAL PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lender: County of Santa Barbara

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

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

Owner: Good Samaritan Shelter
245 E. Inger Dr., Suite 103B,
Santa Maria, CA 93454
Attn: Executive Director
Attention: General Counsel

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

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

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

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

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

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

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

ATTEST:

MONA MIYASATO
Clerk of the Board

By:_____
Deputy Clerk of the Board

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

By: _____
Gregg Hart, Chair
Board of Supervisors

By:_____
Director, Community Services Dept.

APPROVED AS TO ACCOUNTING FORM:

BETSY ~~SHAEFEER~~ SCHAFFER, CPA
AUDITOR-CONTROLLER

By:_____
Deputy

APPROVED AS TO FORM
MICHAEL GHIZZONI
COUNTY COUNSEL

By: Deputy County Counsel

APPROVED AS TO FORM:
RISK MANAGEMENT

By: Ray Aromatorio, ARM, AIC
Risk Manager

BORROWER

Good Samaritan Shelter
a California Nonprofit Organization

By: _____
President, Board of Directors

By:_____
Secretary

State of California
County of Santa Barbara

On_____before me,_____, Notary Public,
personally appeared_____and_____
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)

State of California
County of Santa Barbara

On_____before me,_____, Notary Public,
personally appeared_____and_____
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

For APN/Parcel ID(s): [redacted]

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

[redacted] IN THE OFFICE OF THE COUNTY RECORDER OF SANTA BARBARA COUNTY.