

**CAPITAL IMPROVEMENT GRANT AGREEMENT
BETWEEN THE CITY OF SAN LEANDRO AND
CORNERSTONE COMMUNITY DEVELOPMENT CORP.
DBA BUILDING FUTURES WITH WOMEN AND CHILDREN**

This Capital Improvement Grant Agreement (this “**Agreement**”) is entered into as of July 1, 2023 (“**Effective Date**”) by and between the City of San Leandro, a California charter city (“**City**”), and Cornerstone Community Development Corp. DBA Building Futures with Women and Children, a California nonprofit corporation (“**Participant**”). City and Participant are hereinafter collectively referred to as the “**Parties**.”

RECITALS

- A. Participant is a local nonprofit organization that provides services to the community.
- B. The City received funds designated by the American Rescue Plan Act of 2021 (“ARPA”). The ARPA funds are designated for COVID-19 recovery activities.
- C. Participant has a right to occupy and operate its programs and services upon that certain real property located at 501 Davis Street, San Leandro, California, legally described in Exhibit A (the “Property”).
- D. Participant desires to perform capital improvements related to the Property, as described under the scope of work, attached hereto as **Exhibit B** and incorporated herein, including bathroom repair/upgrade, replace/repair exterior ramp and replace/repair common room flooring, as well as infrastructure upgrades, and seeks City’s assistance to accomplish this goal (the “**Improvements**”). The owner of the Property has consented to the performance of the Improvements..
- E. City desires to provide ARPA Grant funds to qualified local nonprofit organizations like Participant in order to assist such organizations with capital improvement projects that serve the public welfare.
- F. As a qualified local nonprofit organization, Participant is eligible to receive a Grant from the City’s General Fund to construct the Improvements (the “Grant”), and that providing the Grant to Participant is in the public interest because Participant provides public benefits.
- G. The California Environmental Quality Act (Public Resources Code Sections 21000 et seq.) (“CEQA”) imposes no conditions on the City’s consideration and approval of this Agreement because the Improvements are exempt from CEQA requirements under the categorical exemption set forth in 14 California Code of Regulations Section 15303(b).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I
GRANT TERMS; USE AND DISBURSEMENT OF PROCEEDS

1.1 GRANT. City agrees to Grant to Participant, and Participant agrees to borrow from City a sum of up to Eighty Five Thousand Dollars (\$85,000.00) (the “**City Grant**”) upon the terms and conditions and for the purposes set forth in this Agreement for construction of Improvements approved by the City.

1.2 TIMELINE TO SPEND THE GRANT. Participant shall expend the entire City Grant within twenty-four (24) months of the effective date of this Agreement.

1.3 USE OF PROCEEDS. Participant shall use the proceeds of the City Grant (the “**City Grant Proceeds**”) solely and exclusively to pay for the construction of the Improvements described in Exhibit B and in accordance with the budget and timeline specified in Exhibit B.

1.4 DISBURSEMENT OF PROCEEDS. Participant shall submit separate written requests for each disbursement of City Grant funds with supporting evidence for all amounts requested (each a “**Requisition**”). Participant shall submit each Requisition to the Community Development Director, or her/his designee, stating the requisition or invoice number (e.g., Invoice #1) and purpose and amount of the requested disbursement. Participant shall attach copies of any documents supporting the Requisition, including estimates, bids, receipts, invoices, contracts, payment schedules, or evidence of Participant’s payment of preconstruction and rehabilitation expenses required to fund the Improvements. The supporting documents shall state the time period in which work was performed, and the expenses to be funded with the City Grant Proceeds.

1.5 CONDITIONS PRECEDENT TO DISBURSEMENT OF PROCEEDS. City’s obligation to disburse the City Grant Proceeds is conditioned upon the satisfaction of all of the following conditions:

- (a) Participant’s delivery to City of fully executed Agreement;
- (b) Participant’s delivery to City of evidence reasonably satisfactory to City that Participant obtained all necessary permits (including without limitation, building permits), licenses, and approvals required to undertake the Improvements, or that the receipt of such permits is subject only to such conditions as City shall reasonably approve;
- (c) City shall have received and approved the final plans and specifications for the Improvements;
- (d) City shall have received copies of labor and materials bonds and performance bonds for the construction of the Improvements in an amount equal to one hundred percent (100%) of the scheduled cost of the Improvements.
- (e) Participant’s delivery to the City of evidence of insurance coverage in accordance with the requirements set forth in this Agreement;

(f) Participant's delivery to City of such documentation as City shall reasonably require regarding Participant's organizational status and authority to execute and perform Participant's obligations under the Agreement;

(g) Participant's delivery to City of all of the following: (i) Improvements budget; (ii) construction contract; (iii) other assurance of completion reasonably acceptable to City; and (iv) copies of such other documents related to the development and financing of the Improvements as City may reasonably request; and

(h) No material adverse change as determined by City in its reasonable judgment shall have occurred in the condition of the Property or the Improvements or in the financial or other condition of Participant since the date of this Agreement.

1.6 NO OBLIGATION TO DISBURSE PROCEEDS UPON DEFAULT. Notwithstanding any other provisions of this Agreement, the City shall have no obligation to disburse any portion of the City Grant Proceeds if there is an occurrence of an Event of Default (defined below) under the Agreement.

ARTICLE II CONSTRUCTION OF THE IMPROVEMENTS

2.1 CONSTRUCTION SCHEDULE. Participant shall adhere to the schedule attached hereto under the Scope of Work as Exhibit B. Participant must obtain written approval from the City for any changes to the construction schedule.

ARTICLE III AFFIRMATIVE COVENANTS

3.1 USE OF FUNDS. Participant covenants that it shall use the City Grant Proceeds solely for the purpose of financing the construction of the Improvements in accordance with Section 1.4.

3.2 COMPLIANCE WITH LAWS. Participant covenants to comply with all federal, state and local laws, regulations, ordinances and rules applicable to the Property and the Improvements, including without limitation, all applicable requirements of state and local building codes and regulations, and all applicable statutes and regulations relating to accessibility for the disabled.

3.3 INSURANCE. Participant shall procure and maintain for the duration of the Agreement the types and amounts of insurance set forth in Exhibit C, attached hereto and incorporated herein by reference.

3.4 MAINTENANCE. Participant shall maintain the Improvements to the City's standards and repair Improvements at Participant's own expense for a period of not less than ten (10) years after completion thereof.

3.5 INDEMNIFICATION. Participant shall indemnify, defend (with counsel reasonably acceptable to City), and hold harmless the City and its respective elected and appointed officials, officers,

agents, and employees (collectively the **Indemnitees**"), from and against, and shall pay on demand, any and all losses, liabilities, damages, costs, claims, demands, penalties, fines, orders, judgments, injunctive or other relief, expenses and charges (including attorneys' fees and expenses of attorneys) (collectively "**Liabilities**") arising directly or indirectly in any manner in connection with or as a result of (a) any breach of Participant's covenants under the Agreement, (b) any failure of Participant's representations and warranties to be true and correct in all material respects when made, (c) injury or death to persons or damage to property or other loss occurring on the Property, whether caused by the negligence or any other act or omission of Participant or any other person or by negligent, faulty, inadequate or defective design, building, construction or maintenance or any other condition or otherwise, or (d) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee which relates to or arises out of the Property, the Improvements, the City Grant, the Agreement, or any transaction contemplated thereby, or any failure of Participant to comply with all applicable state, federal and local laws and regulations, including without limitation, applicable provisions of the California Building Standards Code, the Prevailing Wage Laws, and the Americans with Disabilities Act in connection with the construction or operation of the Improvements, provided that no Indemnitee shall be entitled to indemnification under this Section for matters caused by such Indemnitee's gross negligence or willful misconduct. The obligations of Participant under this Section shall survive the expiration or termination of this Agreement and the making and repayment of the City Grant.

3.6 OBLIGATION TO REFRAIN FROM DISCRIMINATION. Participant shall not restrict the rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, or any portion thereof, on the basis of race, color, religion, creed, sex, sexual orientation, disability, marital status, ancestry, or national origin of any person. Participant covenants for itself and all persons claiming under or through it, and this Agreement is made and accepted upon and subject to the condition that there shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property or part thereof, nor shall Participant or any person claiming under or through Participant establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in, of, or for the Property or part thereof. Participant shall include such provision in all deeds, leases, contracts and other instruments executed by Participant, and shall enforce the same diligently and in good faith.

All deeds, leases or contracts made or entered into by Participant, its successors or assigns, as to any portion of the Property or the Improvements shall contain the following language:

(a) In Deeds, the following language shall appear:
"Grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through it, that there shall be no discrimination against or segregation of a person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property herein conveyed nor shall the grantee or any person claiming under or through the grantee establish or permit any such practice or practices of discrimination or segregation with

reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the property herein conveyed. The foregoing covenant shall run with the land.”

(b) In Leases, the following language shall appear:

“The lessee herein covenants by and for the lessee and lessee’s heirs, personal representatives and assigns, and all persons claiming under the lessee or through the lessee, that this lease is made subject to the condition that there shall be no discrimination against or segregation of any person or of a group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry or disability in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the property herein leased nor shall the lessee or any person claiming under or through the lessee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the property herein leased.”

(c) In Contracts

“There shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property nor shall the transferee or any person claiming under or through the transferee establish or permit any such practice or practices of discrimination or segregation with reference to selection, location, number, use or occupancy of tenants, lessee, subtenants, sublessees or vendees of the land.”

3.7 USE OF PROPERTY: A Participant may not change the use or planned use of any such property (including the beneficiaries of such use) from that for which the Improvements were made unless the Participant provides the City with reasonable notice of, and opportunity to comment on, any proposed change.

3.8 TAXES AND OTHER LIABILITIES. Participant shall pay and discharge when due any and all indebtedness, obligations, assessments, taxes, including federal and state payroll and income taxes which are the obligations of Participant in relation to the Property or the Improvements except those that Participant may in good faith contest or as to which a bona fide dispute may arise, provided provision is made to the satisfaction of City for eventual payment thereof in the event that it is found that the same is an obligation of Participant.

3.9 HAZARDOUS MATERIALS.

3.9.1 Covenants. Participant shall not cause or permit any Hazardous Materials (as defined below) to be brought upon, kept, stored or used in, on, or about the Property by Participant, or the agents, employees, contractors or invitees of Participant except for materials commonly used in construction activities similar to those related to the Improvements, or in the operation and maintenance of the Property and the Improvements, in each case in compliance with all applicable laws, and shall not cause any release of Hazardous Materials into, onto, under or through the Property. If any Hazardous Material is discharged, released, dumped, or spilled in, on, under, or about the Property and results in any contamination of the Property or adjacent property, or otherwise results in the release or discharge of Hazardous Materials in, on,

under or from the Property, Participant shall promptly take all actions at Participant's sole expense as are necessary to comply with all Environmental Laws (as defined below).

“Hazardous Materials” means any substance, material or waste which is or becomes regulated by any federal, state or local governmental authority, and includes without limitation (i) petroleum or oil or gas or any direct or indirect product or by-product thereof; (ii) asbestos and any material containing asbestos; (iii) any substance, material or waste regulated by or listed (directly or by reference) as a “hazardous substance”, “hazardous material”, “hazardous waste”, “toxic waste”, “toxic pollutant”, “toxic substance”, “solid waste” or “pollutant or contaminant” in or pursuant to, or similarly identified as hazardous to human health or the environment in or pursuant to, the Toxic Substances Control Act [15 U.S.C. 2601, et seq.]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, et seq.], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, et seq.], the Resource Conservation and Recovery Act [42 U.S.C. 6901, et seq.], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, et seq.], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, et seq.], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, et seq.], the California Hazardous Waste Act [California Health and Safety Code Section 25100, et seq.], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, et seq.], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, et seq.], as they now exist or are hereafter amended, together with any regulations promulgated thereunder; (iv) any substance, material or waste which is defined as such or regulated by any “Superfund” or “Superlien” law, or any Environmental Law; or (v) any other substance, material, chemical, waste or pollutant identified as hazardous or toxic and regulated under any other federal, state or local environmental law, including without limitation, asbestos, polychlorinated biphenyls, petroleum, natural gas and synthetic fuel products and by-products.

“Environmental Law” means all federal, state or local statutes, ordinances, rules, regulations, orders, decrees, judgments or common law doctrines, and provisions and conditions of permits, licenses and other operating authorizations regulating, or relating to, or imposing liability or standards of conduct concerning (i) pollution or protection of the environment, including natural resources; (ii) exposure of persons, including employees and agents, to Hazardous Materials (as defined above) or other products, raw materials, chemicals or other substances; (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities; (iv) the manufacture, use or introduction into commerce of chemical substances, including without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal; or (iv) the use, release or disposal of toxic or hazardous substances or Hazardous Materials or the remediation of air, surface waters, groundwaters or soil, as now or may at any later time be in effect, including but not limited to the Toxic Substances Control Act [15 U.S.C. 2601, et seq.]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, et seq.], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, et seq.], the Resource Conservation and Recovery Act [42 U.S.C. 6901, et seq.], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, et seq.], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, et seq.], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, et seq.], the California Hazardous Waste Act [California Health and Safety Code Section 25100, et seq.], the California Safe Drinking Water and Toxic Enforcement Act

[California Health and Safety Code Section 25249.5, et seq.], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, et seq.], as they now exist or are hereafter amended, together with any regulations promulgated thereunder.

3.10 **PREVAILING WAGES.** Participant shall pay and shall cause Participant's contractor and subcontractors to pay prevailing wages in the construction of the Improvements as those wages are determined pursuant to Labor Code Section 1720 *et seq.* and the regulations adopted pursuant thereto ("**Prevailing Wage Laws**") and shall comply or shall cause the contractor and subcontractors to comply with all other applicable provisions of the Prevailing Wage Laws. Participant shall maintain or shall cause the contractor and subcontractors to maintain such records as are necessary to determine if prevailing wages have been paid as required pursuant to the Prevailing Wage Laws during the construction of the Project. Participant shall cause the contractor to post at the Property the applicable prevailing rates of per diem wages. Participant shall indemnify, defend (with counsel approved by City) and hold the Indemnitees harmless from and against all Liabilities which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, or relate to, the payment or requirement of payment of prevailing wages (including without limitation, all claims that may be made by contractors, subcontractors or other third party claimants pursuant to Labor Code sections 1726 and 1781), the failure to comply with all applicable state and federal labor laws, regulations and standards in connection with the construction of the Project, including but not limited to the Prevailing Wage Laws, or any act or omission of Participant or Participant's contractors and subcontractors with respect to the payment or requirement of payment of prevailing wages, whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that City does not, and shall not, waive any rights against Participant which it may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or the deposit with City, of any of the insurance policies described in this Agreement. The provisions of this Section shall survive the expiration or termination of this Agreement and the making and repayment of the City Grant.

ARTICLE IV NEGATIVE COVENANTS

Participant covenants and agrees that for the life of this Agreement, Participant will not, without prior written consent of the City:

4.1 **USE OF FUNDS.** Use any of the proceeds of the City Grant except for the purpose(s) stated in Section 1.4 of this Agreement.

4.2 **ENCUMBER THE PROPERTY.** Create nor suffer to exist any mortgage, lien, charge, or encumbrance, including liens arising from judgments on the Property. This includes Workers' Compensation, unemployment, Internal Revenue Service, state, local, mechanic, and any other liens of any type; provided however, that Participant shall have thirty (30) days to discharge or provide adequate security for any involuntary lien upon the Property except that which may be in the ordinary course of business to obtain a line of credit or letters of credit.

4.3 MERGER, CONSOLIDATION, SALE OF ASSETS. Merge into or consolidate with any corporation or other entity, or acquire all or substantially all of the assets of any other corporation or entity; or sell, lease, assign, transfer or otherwise dispose of all or substantially all Participant's assets.

4.4 GRANTS, ADVANCES, INVESTMENTS. Make any Grant or advances to or investments in, any person or entity except those usually made in the ordinary course of business.

ARTICLE V DEFAULT AND REMEDIES

5.1 EVENTS OF DEFAULT. The occurrence of any one or more of the following events shall constitute an event of default hereunder ("**Event of Default**"):

(a) Participant removes the Improvements from the Property, or fails to maintain the Improvements and the Property according to the City's standards, or fails to promptly make repairs in violation of Section 3.4.

(b) Any representation or warranty contained in this Agreement or any certificate furnished in connection with the foregoing or in connection with any request for disbursement of City Grant Proceeds proves to have been false or misleading in any respect when made.

(c) Participant defaults in the performance of any term, provision, covenant or agreement (other than an obligation enumerated in this Article V) contained in this Agreement or unless a shorter cure period for such default is specified herein, the default continues for ten (10) days in the event of a monetary default or thirty (30) days in the event of a nonmonetary default after the date upon which City shall have given written notice of the default to Participant (or such longer time as City may agree upon in writing), provided that in each case Participant commences to cure the default within thirty (30) days and thereafter prosecutes the curing of such default with due diligence and in good faith.

(d) Participant becomes insolvent or shall cease to pay its debts as they mature or voluntarily files a petition seeking reorganization of, or the appointment of a receiver, trustee, or liquidation for it or a substantial portion of its assets, or to effect a plan or other arrangement with creditors, or shall be adjudicated bankrupt, or shall make voluntary assignment for the benefit of creditors.

(e) An insolvency petition is filed against Participant under any bankruptcy, insolvency, or similar law or seeking the reorganization of or the appointment of a receiver, trustee, or liquidator for Recipient, or of a substantial part of the property of the Recipient's, or a writ or warrant of attachment or similar process shall be issued against a substantial part of the property of Recipient, and such petition shall not be dismissed, or such writ or warrant of attachment or similar process shall not be released or bonded, within sixty (60) days of filing of levy.

5.2 REMEDIES AND RIGHTS UPON DEFAULT. Upon the occurrence of an Event of Default, City shall have all remedies available to it under law or equity, including, but not limited to the following, and City may, at its election, without notice to or demand upon Participant, except for notices or demands required by law or expressly required pursuant to this Agreement, exercise one or more of the following remedies:

- a) Seek specific performance to enforce the terms of this Agreement;
- b) Accelerate and declare the balance of the City Note and interest accrued thereon immediately due and payable;
- c) Pursue any and all other remedies available under any other Grant Document;
- d) Terminate Participant's right to use or occupy the Property. Participant understands that the Property is owned by the City, and expressly acknowledges and agrees that an Event of Default shall give the City the right to terminate Participant's right to use or occupy the Property, notwithstanding Participant's rights under any other agreement regarding use of the Property.
- e) Pursue any and all other remedies available under law to enforce the terms of this Agreement and City's rights hereunder.

5.3 **REMEDIES CUMULATIVE.** Each of the remedies provided herein is cumulative and not exclusive of, and shall not prejudice any other remedy provided herein. The City may exercise from time to time any rights and remedies available to it under applicable law, in addition to, and not in lieu of, any rights and remedies expressly granted in this Agreement or in any other instrument or notice, demand or legal process of any kind.

**ARTICLE VI
RESERVED**

**ARTICLE VII
MISCELLANEOUS**

7.1 **NOTICES.** All notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other Party in accordance with this Section. All such notices sent by personal delivery shall be deemed delivered upon receipt and all notices sent first class, postage prepaid, return receipt requested shall be deemed delivered five (5) business days after deposit in the United States mail.

City: City of San Leandro
835 E. 14th Street
San Leandro, CA 94577
Attn: Community Development Director

Participant: Cornerstone Community Development Corp.
DBA Building Futures with Women and Children for Federal Business
501 Davis Street
San Leandro, CA 94577
Attn: Executive Director

7.2 COUNTERPARTS. This Agreement may be executed in multiple counterparts each of which shall be an original and all of which taken together shall constitute one and the same instrument.

7.3 SEVERABILITY. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the Parties are materially altered or abridged by such invalidation, voiding or unenforceability.

7.4 LEGAL ACTIONS; ATTORNEYS' FEES. In the event any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach thereof, the Party prevailing in any such action shall be entitled to recover against the other Party all reasonable attorneys' fees and costs incurred in such action.

7.5 CAPTIONS; INTERPRETATION. The captions of the Sections and Articles of this Agreement are for convenience only and are not intended to affect the interpretation or construction of the provisions herein contained. The language of this Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any Party. Time is of the essence in the performance of this Agreement.

7.6 PARTIES NOT CO-VENTURERS. At all times during the term of this Agreement, Participant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Participant only insofar as the results of Participant's services rendered pursuant to this Agreement; however, City shall not have the right to control the means by which Participant accomplishes services rendered pursuant to this Agreement. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another.

7.7 GOVERNING LAW; VENUE. This Agreement shall in all respects be construed and enforced in accordance with laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement must be filed in Alameda County, State of California, or the Northern District of California.

7.8 WAIVER; MODIFICATION AND AMENDMENT. No failure or delay on the part of the City in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy hereunder. No modification or waiver of any provision of this Agreement, nor any consent to any departure by Participant therefrom, shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on the Participant in any case shall entitle the Participant to any other or further notice or demand in similar or other circumstances. No amendment to or modification of this Agreement shall be effective unless and until such amendment or modification is in writing, properly approved in accordance with applicable procedures, and executed by the Parties.

7.9 ASSIGNMENT PROHIBITED. Participant shall not assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

7.10 NO THIRD PARTY BENEFICIARIES. There shall be no third party beneficiaries to this Agreement.

7.11 ENTIRE AGREEMENT; EXHIBITS. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any and all prior or contemporaneous oral or written agreements and negotiations between the Parties with respect thereto. Exhibits A through G attached hereto are incorporated herein by reference as though fully set forth herein. Notwithstanding any other agreement to the contrary, the Parties hereto acknowledge and agree that the City owns the underlying land, identified as the Property, and Participant owns and operates the Improvements that are upon the Property. The City may, upon a breach or default of this Agreement, terminate Participant's right to be upon the Property.

7.12 SURVIVAL. All representations made by Participant herein and the provisions of Section 3.5 hereof shall survive the expiration or earlier termination of this Agreement and the making of the City Grant. The representations of Participant made herein have been or will be relied upon by the City, notwithstanding any investigation made by the City or on its behalf.

7.13 ACTION BY THE CITY. Except as may be otherwise specifically provided herein, whenever any approval, notice, direction, or consent by the City is required or permitted under this Agreement, such action shall be in writing, and such action may be given, made or taken by the City Manager or by any person who shall have been designated by the City Manager, without further approval by the City Council. City shall use reasonable best efforts to respond to requests for any such approval, notice, direction, or consent in a timely manner.

7.14 NON-LIABILITY OF CITY OFFICIALS, EMPLOYEES AND AGENTS. No member, official, employee or agent of the City shall be personally liable to Participant or any successor in interest to any of the foregoing in the event of any default or breach by the City, or for any amount of money which may become due to Participant or Participant's successor in interest or for any obligation of City under this Agreement.

7.15 BINDING UPON SUCCESSORS. Participant hereby subjects its interest in the Property and the Improvements to the covenants and restrictions set forth in this Agreement.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Parties have each caused this Agreement to be duly executed as of the date first written above.

CITY OF SAN LEANDRO:

**Cornerstone Community Development Corp.
DBA Building Futures with Women and
Children**

By: _____
Frances M. Robustelli, City Manager

By: _____
Executive Director

Kelly B. Clancy, City Clerk

Budget Approved:

Approved as to Fiscal Authority:

Michael Yuen, Finance Director

190-63-825-5240
Account Number

Approved as to Form:

Richard D. Pio Roda, City Attorney

Per Section 10.7: Form 700 Required

Tom Liao, Director, Community Development Department

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

DRAFT

EXHIBIT B

SCOPE OF WORK, SCHEDULE & BUDGET

Scope of Work:

Capitalized terms used in this Exhibit B without definition shall have the meaning ascribed to such terms in the Agreement of which this Exhibit B is a part.

1. The funds approved under the Agreement shall only be used for capital improvements for the Project and the Improvements identified in the Agreement and this Exhibit B.
2. The Participant shall follow all requirements and keep all records required pursuant to the Agreement, including without limitation those set forth in Exhibit F.
3. The Participant shall comply with all requirements to include specified provisions and language in construction contracts for work on the Project funded with CDBG Funds.
4. The Participant shall request any changes to the Scope of Work, Construction Schedule or Budget in writing. The City Manager or his/her designee may approve requests at his/her discretion.
5. Work for which Participant may use City Loan:

Renovations to the San Leandro Shelter facilities located at 501 Davis Street including the following activities:

- Update normal wear and tear to include the following items.
 - INTERIOR Replacing the flooring and base in the common areas including kitchen, and in dormitory as needed; painting walls and window frames in common area and dormitory.
 - EXTERIOR Replacing exterior wood roof trim; replacing gutters, downspouts and misc. roofing flashing as needed; repainting exterior wood window trim and flashing as needed; repainting exterior stucco siding; re-roof exterior storage shed, carpentry and paint; repaint exterior trash enclosure and replace side panels; repaint existing hand/guard rails.
6. Program Monitoring and Reporting

The City will perform periodic and final site visits to ascertain that the approved Scope of Work is proceeding properly and satisfactorily. City staff will monitor the performance of the Participant against goals and performance standards stated in the Scope of Work. Substandard performance as determined by the City will constitute noncompliance with the Agreement. Contract suspension or termination procedures will be initiated if action to correct such substandard performance is not taken by the Participant within a reasonable period of time after notification by the City.

Participant shall submit to the City written quarterly and narrative reports during the duration of the construction which shall be due on the fifteenth (15th) day of the month immediately following the report quarter. The quarterly and narrative reports shall include, but not be limited to, the following data elements:

- A. Title of program or project and description of goals and activities.
- B. Service areas (i.e., citywide, applicable census tracts, etc.).
- C. Beneficiaries' Data: See attached Quarterly Performance and Narrative Reports, Exhibit F.
- D. Other data as required by the City.

Schedule:

<u>ACTIVITY</u>	<u>COMPLETION DATE</u>
REHABILITATION PROJECT	
Contract with Project Manager	July 2023
Complete design work/plans and specifications	August 2023
Prepare bid packet for construction	August 2023
Advertise for bids	August 2023
Bid Opening	September 2023
Sign contract	September 2023
Begin construction	September 2023
Finish construction	October 2023
Notice of project completion	October 2023

Budget:

A: BUDGET ITEM	B: CDBG FUNDS	C: ARPA FUNDS	D: COST
DELIVERY COSTS			
Rehab/Construction Hard Costs	28,500	85,000	113,500
Tests and Inspections	1,279		1,279
Insurance	1,200		1,200
Other Costs	13,500		13,500
Client Relocation Costs (18 households @ \$75/day x5 days)			
Contingency 10% Construction Costs	11,350		11,350
TOTAL DELIVERY COSTS	140,829		140,829
CONTRACT SERVICES			
Project Manager	8,400		8,400
Wage Consultant (Davis Bacon)	1,000		1,000
TOTAL CONTRACT SERVICES	9,400		9,400
BUDGET TOTAL	65,229	85,000	150,229

EXHIBIT C

INSURANCE REQUIREMENTS

Unless City agrees otherwise in writing, Participant shall, at Participant's sole cost and expense, throughout the term of the City Note shall keep and maintain the following policies of insurance. Capitalized terms used without definition in this Exhibit C shall have the meaning ascribed to such terms in the Grant Agreement of which this Exhibit is a part.

A. Property Insurance. Insurance for the risks of direct physical loss, naming City as loss payee as its interests may appear, with minimum coverage being the perils insured under the standard Causes of Loss - Special form (ISO Form CP 10 30) or its equivalent, covering all Improvements, all fixtures and equipment located on or in, or constituting a part of, the Property, in an amount equal to one hundred percent (100%) of the full replacement cost of all such property. The insurance shall (a) cover explosion of steam and pressure boilers and similar apparatus, if any, located on the Property, and (b) cover floods if the Property is in a Special Hazard Area, as determined by the Federal Emergency Management Agency or as shown on a National Flood Insurance Program flood map. The insurance required hereunder shall be in amounts sufficient to prevent Participant from becoming a co-insurer under the terms of the applicable policies, with not more than a Ten Thousand Dollars (\$10,000) deductible (or such higher deductible approved by the City) from the loss payable for any casualty. The policies of insurance carried in accordance with this Paragraph A shall contain a "replacement cost endorsement," an "increased cost of construction endorsement," and an endorsement covering underground work, if applicable to the Project.

B. Liability Insurance. Commercial general liability insurance on an "occurrence basis" covering all claims with respect to injury or damage to persons or property occurring on, in, or about the Property or the Improvements. Commencing upon the Effective Date of the Grant Agreement and at all times prior to repayment of all sums payable under the City Note, the limits of liability under this Paragraph B shall be not less than One Million Dollars (\$1,000,000) combined single limit per occurrence, with a deductible no greater than Ten Thousand Dollars (\$10,000) or such higher deductible as may be approved by City. If an aggregate limit is used, either the general aggregate limit shall apply separately to the Property or the general aggregate limit shall be twice the required occurrence limit.

The insurance shall also include:

- (i) coverage against liability for bodily injury or property damage arising out of the use, by or on behalf of Participant, of any owned, non-owned, leased or hired automotive equipment in the conduct of any and all operations conducted in connection with the Project or the Property;
- (ii) premises and completed operations including, without limitation, bodily injury, personal injury, death or property damage occurring upon, in or about the Property or the Improvements on any elevators or any escalators therein and on, in or about the adjoining sidewalks, streets and passageways;
- (iii) broad form property damage liability;
- (iv) additional insured and primary insured endorsements protecting City and City and their respective elected and appointed officials, officers, employees and agents; and

(v) personal injury endorsement.

C. Worker's Compensation Insurance. Worker's compensation insurance, in the amount required under then applicable state law, covering Participant's employees, if any, at work in or upon the Property or engaged in services or operations in connection with the Project, the Improvements or the Property. Participant shall require that any general construction contract entered into by Participant with regard to the Project include a contractual undertaking by the general contractor to provide worker's compensation insurance for its employees engaged in construction of the Project in an amount in compliance with applicable state law.

D. Course of Construction Insurance. Course of construction insurance, naming City as loss payee in the same amount as required in Paragraph A above for property insurance, covering all construction activities on the Property.

E. General Insurance Provisions. All policies of insurance provided for in this Exhibit shall be provided under valid and enforceable policies, in such forms and amounts as hereinbefore specified, issued by insurers licensed to do business in the State of California (or approved to do business in California and listed on the California Department of Insurance list of Eligible Surplus Lines Insurers or successor listing) and having a rating of A/VII or better in Best Insurance Guide or, if Best Insurance Guide is no longer in existence, a comparable rating from a comparable rating service. Prior to the closing of the Grant, and thereafter, not less than thirty (30) days prior to the expiration date of each policy furnished pursuant to this Exhibit C, Participant shall deliver to City certificates evidencing the insurance required to be carried by Participant under this Exhibit C. If requested by City, Participant shall deliver within fifteen (15) days following such request, certified, complete copies of the insurance policies required hereunder. Insurance policies to be provided herein shall meet the following requirements:

(a) Each policy of insurance obtained pursuant to this Agreement, other than worker's compensation insurance, shall contain endorsements which provide (i) a waiver by the insurer of the right of subrogation against City, Participant or any subtenant for negligence of any such person, (ii) a statement that the insurance shall not be invalidated should any insured waive in writing prior to the loss any or all right of recovery against any party for loss accruing to the property described in the insurance policy, and (iii) a provision that no act or omission of Participant which would otherwise result in forfeiture or reduction of the insurance therein provided shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained.

(b) By endorsements, City and its elected and appointed officials, officers, employees and agents shall be named as additional insured under the policies of liability insurance and as loss payee under the property damage and course of construction insurance required to be maintained by Participant hereunder.

(c) Each policy required hereunder shall include a Notice of Cancellation or Change in Coverage Endorsement which shall provide that such policy shall not be cancelled or materially changed without at least thirty (30) days' prior written notice by registered or certified mail to City.

(d) All insurance policies shall provide that there shall be no exclusion from coverage for cross liability among the listed insureds.

(e) Any certificate of insurance applicable to course of construction insurance to be maintained shall be deposited with City prior to commencement of construction.

(f) Each policy shall contain an endorsement that proves that the insurance applies separately to each insured that is seeking coverage or against whom a claim is made, except with respect to the limits of liability.

(g) Each policy shall be written as a primary policy not contributing with and not in excess of coverage that City may carry.

(h) Each policy shall expressly provide that shall not be required to give notice of accidents or claims and that City shall not have liability for premiums.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Participant shall procure a bond to guarantee payment of losses and related investigations, claim administration and defense expenses.

G. Blanket Policies. Any insurance required pursuant to this Exhibit C may be placed by a policy or policies of blanket insurance; provided, however, that such policy or policies provide that the amount of the total insurance allocated to the Property and the Improvements shall be such as to furnish protection the equivalent of separate policies in the amounts herein required, and provided further that in all other respects any such policy or policies shall comply with the other provisions of this Exhibit.

H. Compliance with Policy Requirements. Participant shall observe and comply with the requirements of all policies of public liability, fire and other policies of insurance at any time in force with respect to the Property, and Participant shall so perform and satisfy the requirements of the companies writing such policies that at all times companies of good standing shall be willing to write or to continue such insurance.

I. Additional Insurance. Participant shall have the right to carry such additional insurance as Participant may desire from time to time or as may be required by any mortgagee with a security interest in the Property.

J. Modification to Requirements. The risk manager of the City may approve a variation in those insurance requirements upon a determination that the coverages, scope, limits and forms of such insurance are either not commercially available or that the City's interests are otherwise fully protected.